

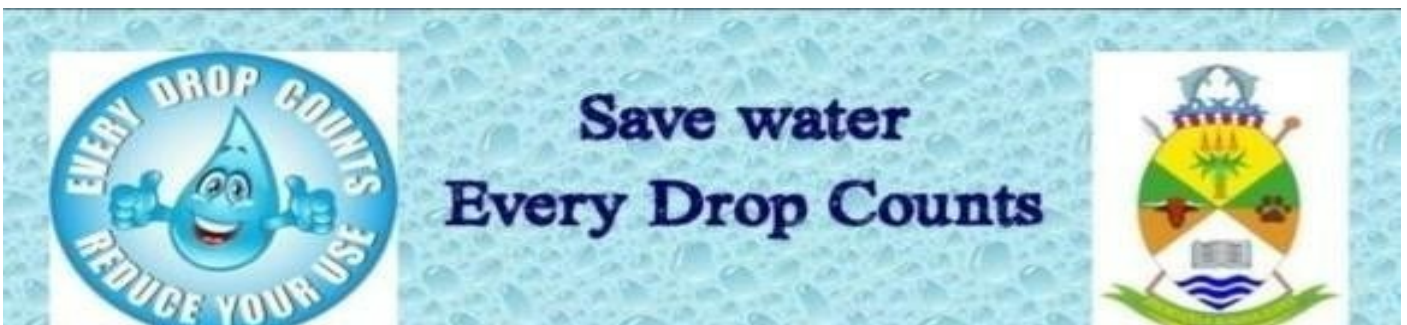


**NDLAMBE**

Local Municipality

# **MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK**

**2026/27 TO 2028/29**



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## **Abbreviations and Acronyms**

MM	Municipal Manager
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DORA	Division of Revenue Act
FBS	Free Basic Services
RM	Repairs and maintenance
GDP	Gross domestic Product
IDP	Integrated Development Plan
AFS	Annual Financial Statements
RO	Reverse Osmosis Plant
MFMA	Municipal Financial Management Act
MIG	Municipal Infrastructure Grant
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator South Africa
PPE	Property Plant and Equipment
SDBIP	Service Delivery Budget Implementation Plan
ES	Equitable Share
FMG	Financial Management Grant
WSIG	Water Services Infrastructure grant
MBRR	Municipal Budget & Reporting Regulations
SLA	Service Level Agreements
EPWP	Expanded Public Works Programme
ERP	Enterprise Resource Planning financial system
INEP	Integrated National Electrification Programme

## **PART 1 – ANNUAL BUDGET**

### **1.1 MAYOR’S REPORT**

The 2027 Medium-Term Revenue and Expenditure Framework (MTREF) is presented within a constrained economic and fiscal environment, requiring the Municipality to adopt a disciplined approach to prioritisation, cost containment, and financial sustainability. In response, the budget has been strategically aligned to focus on four key development priorities that are critical to sustaining service delivery and improving community well-being.

#### **Key Development Priorities**

##### **1. Maintenance of Infrastructure**

- The Municipality recognises that the sustainability of service delivery is heavily dependent on the effective maintenance of its existing infrastructure and fixed assets. Increased investment in maintenance is essential to prevent deterioration and ensure uninterrupted service delivery. However, the Municipality remains reliant on grant funding for major refurbishments and upgrades, which may delay critical interventions and accelerate infrastructure decline if not adequately addressed.

##### **2. Water Services**

- Addressing water-related challenges remains a priority, particularly in reducing water losses and mitigating supply shortages in certain areas. These challenges are closely linked to the state of infrastructure, reinforcing the importance of maintenance. Targeted interventions will focus on improving efficiency within the water network to enhance reliability and sustainability.

##### **3. Roads Infrastructure**

- The Municipality continues to address the backlog in road infrastructure through both upgrading and routine maintenance. Improved road conditions are essential for economic activity, accessibility, and overall service delivery.

##### **4. Stormwater Management**

- Investment in stormwater infrastructure is critical to mitigating flooding risks and protecting both public and private assets. Efficient stormwater systems contribute to the resilience of communities and support broader infrastructure sustainability.
- Collectively, improvements in these priority areas will enhance the quality of basic services provided to communities, thereby reducing service delivery disruptions and minimising the likelihood of public dissatisfaction and protests.

#### **Budget Approach and Financial Overview**

- The 2027 MTREF budget has been developed through a rigorous process of prioritisation and cost containment. This approach is reflected in the final budget, where operating expenditure has decreased by -10% compared to the prior year’s adjusted budget.
- Encouragingly, the allocation towards maintenance has increased significantly from 2.7% of audited actual expenditure to 5.7% in the 2027 financial year. This allocation is projected to grow by an average of 2% over the outer years of the MTREF. While this reflects positive progress, it remains 2.3% below the recommended benchmark of 8%. In monetary terms, maintenance funding has increased to R70.3 million, representing an increase of R13.6 million.

- Budget allocations for water and roads infrastructure have also increased moderately, with an average growth of approximately 2%, supporting the Municipality's focus on strengthening core service delivery functions.

### **Alignment with the Integrated Development Plan (IDP)**

- The Municipality has reaffirmed the central role of the Integrated Development Plan (IDP) in guiding budgeting decisions. A “back-to-basics” approach has been adopted, ensuring that community needs, as identified through the IDP, inform project prioritisation. This process has been undertaken collaboratively with senior management and political leadership, ensuring that all projects included in the budget are directly aligned with the IDP.
- National government has allocated capital transfers amounting to R70,990 million, which are fully directed towards infrastructure programmes. These include sewerage reticulation, refurbishment of water treatment works, road upgrades, electrification projects, and the upgrading of the Port Alfred substation.

### **Financial Sustainability and Revenue Challenges**

- A key focus for the 2027/28 financial year is to reduce the level of debt impairment, which has placed significant pressure on the Municipality's financial position and contributed to operating deficits. Through the implementation of prioritisation, cost containment, and ring-fencing measures, the Municipality has successfully reduced the operating deficit by R-33,165 million.
- Despite this progress, challenges persist, particularly in areas supplied by Eskom, where the Municipality faces difficulties in revenue collection. To address this, the Municipality will implement water restrictions during the 2026/27 financial year as part of broader measures to improve revenue management and sustainability.

### **Conclusion**

- In light of the above, I hereby submit the Final 2027 MTREF Budget to Council for noting and approval for public consultation. The Municipality remains committed to ensuring that the final budget reflects the needs and priorities of the community while maintaining financial prudence and sustainability.

## 1.2 COUNCIL RESOLUTIONS

**The following resolutions are listed here as required by the MBRR and it is recommended that the Council approves the following resolutions for the budget, in accordance with section 24 of the Municipal Finance Management Act)**

- **THAT** the final capital budget as outlined in **Table A5** - Budgeted Capital Expenditure by vote, standard classification and funding source valued **R84,638 million** for 2026/2027, (2028 **R62,421 million**) and (2029 **R65,208 million**) be APPROVED.
- **THAT** the final revenue and expenditure as outlined in **Table A2** - Budgeted Financial performance (revenue and expenditure by functional classification **total revenue incl capital transfers** valued at **R752,403 million** for 2026/2027, (2028 **R783,912million**) and (2029 **R825,698 million**) and final **operating expenditure** amounts to **R721,634 million** for 2026/27,(2028 **R753,843 million**) and( 2029 **R787,784 million**) be APPROVED.
- **THAT** the final operating budget for the 2026/2027 financial year as presented in **Table A4** - Budgeted Financial Performance (revenue and expenditure) reflecting the operating deficit of **R40,221 million (2028 R36,079 million)** and (**2029 R31,722 million**) be APPROVED.
- **THAT** the final tariffs be APPROVED with the following increases:
  - **Property rates:** A 5.2% increase for 2026/2027.
  - **Environmental fee:** A 5.2% increase for 2026/2027.
  - **Water Basic Fee:** A 10.2% increase (comprising of 5.2% CPI inflation plus 5% for tariff structure change derived from cost of supply study conducted in 2023/24 and implemented in 2024/2025) for the current and two outer years.
  - **Water Usage:** A 5.2% increase for 2026/2027.
  - **Sewerage Basic Fee:** A 5.2% increase for 2026/2027
  - **Sanitation/Pump Outs:** A 10.2% increase (5.2% inflationary plus a 5% for tariff structure change derived from cost of supply study conducted in 2023/24 and implemented in 2024/2025)
  - **Waste Collection:** A 5.2% increase for 2026/2027.
  - **Electricity tariff:** An average increase of 7% for 2026/27 due to tariff structure change derived from cost of supply study conducted in 2023/24
  - **Miscellaneous tariffs:** An increase of 5.2% for 2026/2027
- **THAT** the final financial position for the 2026/2027 financial year as presented in **Table A6**- Budgeted Financial Position, reflecting the community wealth/equity of **R1,692,380 billion** for 2026/2027, (**2028 R1,722,450 billion**) and (**2029 R1,760,363 billion**) be APPROVED with corrections still to be made before publishing.
- **THAT** the final cash flow for the 2026/2027 financial year as presented in **Table A7**- Budgeted Cash Flow reflects a positive cash and cash equivalent at the end of 2026/2027 financial year **R44,518 million, (2028 R82,086 million)** and (**2029 R127,461 million**) be APPROVED .
- **THAT** the final cash backed reserves/accumulated surplus reconciliation for the 2026/2027 financial year as presented in **Table A8**- Budgeted cash backed reserves/accumulated shortfall/surplus reconciliation of 2026/2027 financial year **-R16,459 million, (2028 R8,988 million)** and (**2029 R42,416 million**) be APPROVED
- **THAT** the final asset management for the 2026/2027 financial year as presented in **Table A9**- Budgeted asset management with projected total asset register of **R1,241,833 billion** in 2026/2027 financial year, (2028 **R1,188,735 billion**) and (2029 **R1,131,529 billion**) be APPROVED
- **THAT** budget related policies reviewed for 2026/2027 MTREF be APPROVED.
- **THAT** the final procurement plans for 2026/2027 budget be APPROVED.
- **THAT** the Mscoa roadmap be **APPROVED**
- **THAT** the draft service delivery implementation plans for 2026/27 be NOTED

### 1.3 EXECUTIVE SUMMARY

One of the key objectives of the 2027 Medium-Term Revenue and Expenditure Framework (MTREF) budget process is to demonstrate how Ndlambe Municipality is aligning its annual budget with the broader budget and financial management reform agenda. This is achieved through a strong focus on key “game changers,” which include ensuring that the budget is fully funded, strengthening revenue management, improving asset management, enforcing compliance with supply chain management processes, correctly implementing mSCOA, and effectively addressing audit findings and matters of emphasis.

The compilation of the 2027 MTREF has been particularly challenging due to prevailing economic pressures, while the Municipality remains committed to delivering quality services and promoting local economic development to address unemployment. Demographic trends further intensify this challenge, with the number of households projected to grow at an average annual rate of 2.3%, while the population is expected to increase by approximately 2.33% per annum, rising from estimated 88,733 in 2027 to an estimated 90,800 by the 2028 financial year. These statistics underscore the increasing demand for municipal services and the need for proactive planning.

A key constraint remains the Municipality’s collection rate, which has not yet reached the acceptable norm of an average 95%. The projected average collection rate for 2027 is 79%, compared to the current actual rate of 79%, and this has been used as the baseline for revenue projections in the 2027 MTREF. However, targeted revenue enhancement initiatives, such as the phased rollout of water restrictions commencing in the 2027 financial year, are expected to improve revenue collection over the medium term. The impact of these initiatives is anticipated to begin yielding results in 2027, with further improvements expected throughout the outer years.

In response to these financial and service delivery pressures, the Municipal Council has identified four strategic development priorities that will guide the MTREF period:

- Maintenance of Infrastructure
- Water and Sanitation
- Roads
- Stormwater Management

These priorities are supported by the implementation of a tiered funding approach, whereby resources are first allocated to Tier 1 core service delivery functions, followed by Tier 2 support services, and lastly Tier 3 non-core services. Strict cost containment measures have been applied to redirect savings towards these critical priority areas.

The 2027 MTREF also outlines specific interventions aimed at addressing audit findings and strengthening financial governance. This includes initiatives to reduce water losses, improve operational efficiencies, and enhance overall sustainability. Furthermore, the Municipality has initiated the ring-fencing of trading services, as well as functions funded through property rates, to improve financial transparency, accountability, and long-term viability.

The table presents a summary of the MTREF, with detailed breakdowns to be provided in the subsequent tables in the next section of the document.

## Table A1 Budget Summary

### Choose name from list - Table A1 Budget Summary

Description	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
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	143,573	146,672	170,174	183,503	183,503	183,503	122,766	194,843	204,975	215,634
Service charges	181,743	192,625	235,511	252,866	263,741	263,741	168,720	279,614	298,952	319,706
Investment revenue	7,977	12,244	10,515	14,215	14,215	14,215	3,529	5,966	6,276	6,603
Transfer and subsidies - Operational	128,498	136,763	148,220	225,558	226,456	226,456	155,404	150,593	155,475	159,435
Other own revenue	42,093	34,570	42,971	43,951	43,951	43,951	29,058	44,367	46,671	49,095
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>503,884</b>	<b>522,874</b>	<b>607,392</b>	<b>720,093</b>	<b>731,866</b>	<b>731,866</b>	<b>479,478</b>	<b>675,384</b>	<b>712,348</b>	<b>750,472</b>
Employee costs	184,822	197,970	214,913	213,426	215,979	215,979	147,288	224,318	234,819	245,771
Remuneration of councillors	7,671	8,482	8,682	8,469	8,469	8,469	5,642	8,476	8,484	8,492
Depreciation, amortisation and impairment	52,364	54,599	52,763	51,635	51,635	51,635	30,796	56,502	57,999	61,861
Interest, Dividends and Rent on Land	7,967	8,295	8,498	8,679	8,679	8,679	–	9,178	9,706	10,264
Inventory consumed and bulk purchases	136,643	144,278	144,067	146,806	141,857	141,857	90,164	134,661	143,472	150,916
Transfers and subsidies	4,529	4,304	5,196	5,738	5,562	5,562	4,268	1,480	1,385	1,438
Other expenditure	188,125	199,826	240,921	359,990	373,072	373,072	142,104	282,766	308,209	319,974
<b>Total Expenditure</b>	<b>582,120</b>	<b>617,753</b>	<b>675,040</b>	<b>794,742</b>	<b>805,252</b>	<b>805,252</b>	<b>420,262</b>	<b>717,381</b>	<b>764,073</b>	<b>798,716</b>
<b>Surplus/(Deficit)</b>	<b>(78,236)</b>	<b>(94,879)</b>	<b>(67,647)</b>	<b>(74,649)</b>	<b>(73,386)</b>	<b>(73,386)</b>	<b>59,216</b>	<b>(41,997)</b>	<b>(51,725)</b>	<b>(48,244)</b>
Transfers and subsidies - capital (monetary allocations)	141,420	120,205	171,705	169,700	246,801	246,801	(142,881)	70,790	66,148	69,635
Transfers and subsidies - capital (in-kind)	113	517	1,168	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>63,298</b>	<b>25,843</b>	<b>105,225</b>	<b>95,051</b>	<b>173,416</b>	<b>173,416</b>	<b>(83,666)</b>	<b>28,792</b>	<b>14,423</b>	<b>21,391</b>
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>	<b>63,298</b>	<b>25,843</b>	<b>105,225</b>	<b>95,051</b>	<b>173,416</b>	<b>173,416</b>	<b>(83,666)</b>	<b>28,792</b>	<b>14,423</b>	<b>21,391</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>135,336</b>	<b>120,758</b>	<b>169,424</b>	<b>158,518</b>	<b>232,934</b>	<b>232,934</b>	<b>133,419</b>	<b>84,464</b>	<b>62,421</b>	<b>65,208</b>
Transfers recognised - capital	123,143	109,219	157,100	146,845	221,260	221,260	128,213	61,556	57,520	60,552
Borrowing	(2)	–	–	–	–	–	–	–	–	–
Internally generated funds	12,243	11,003	11,155	11,673	11,673	11,673	5,206	22,908	4,901	4,656
<b>Total sources of capital funds</b>	<b>135,384</b>	<b>120,222</b>	<b>168,256</b>	<b>158,518</b>	<b>232,934</b>	<b>232,934</b>	<b>133,419</b>	<b>84,464</b>	<b>62,421</b>	<b>65,208</b>
<b>Financial position</b>										
Total current assets	267,638	374,887	365,017	317,631	341,070	341,070	445,143	354,493	364,705	383,100
Total non current assets	1,433,371	1,497,336	1,639,052	1,604,811	1,820,351	1,820,351	1,740,005	1,855,270	1,859,692	1,863,040
Total current liabilities	248,107	380,036	360,759	292,363	333,050	333,050	339,671	183,511	174,016	164,104
Total non current liabilities	124,259	135,403	149,675	144,082	161,320	161,320	149,675	169,030	178,736	188,999

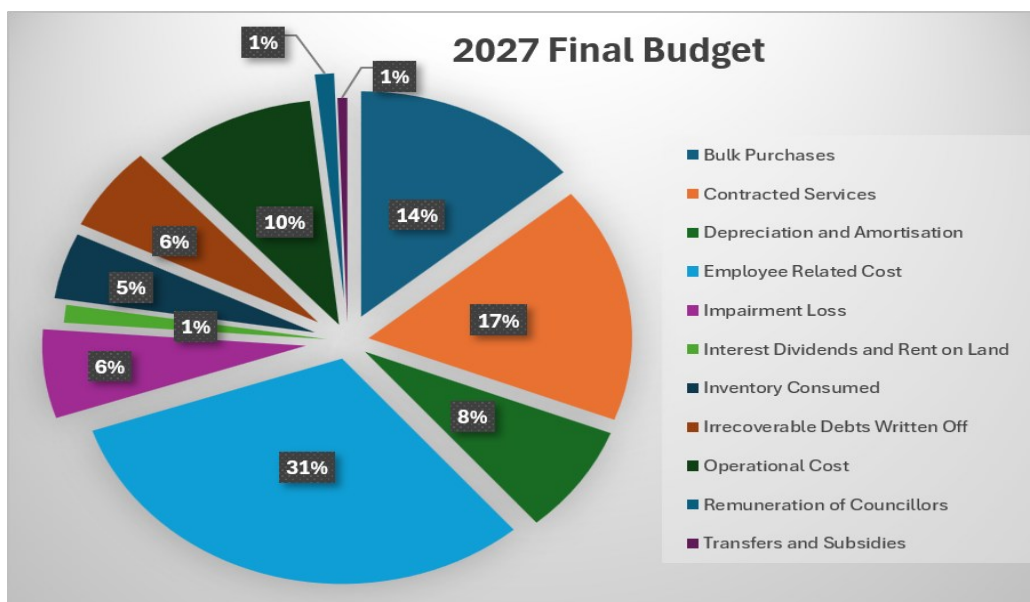
Community wealth/Equity	1,328,643	1,356,784	1,493,977	1,485,998	1,667,052	1,667,052	1,668,321	1,695,844	1,710,267	1,731,658
<b>Cash flows</b>										
Net cash from (used) operating	7,603	(483,075)	(648,616)	124,536	214,612	234,662	234,662	110,698	98,747	109,572
Net cash from (used) investing	(159,062)	(124,712)	(175,746)	(173,938)	(260,344)	(260,344)	(260,344)	(93,917)	(71,254)	(74,360)
Net cash from (used) financing	(2,072)	(1,439)	(973)	–	–	–	–	–	–	–
<b>Cash/cash equivalents at the year end:</b>	<b>(75,745)</b>	<b>(541,990)</b>	<b>(685,812)</b>	<b>89,151</b>	<b>20,959</b>	<b>41,009</b>	<b>41,009</b>	<b>43,306</b>	<b>70,799</b>	<b>106,011</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	(75,700)	(541,944)	(685,768)	89,197	21,003	41,053	41,068	43,350	70,843	106,055
Application of cash and investments	68,454	215,012	184,611	103,317	121,362	119,570	23,707	(121,743)	(115,522)	(109,217)
<b>Balance - surplus (shortfall)</b>	<b>(144,155)</b>	<b>(756,956)</b>	<b>(870,379)</b>	<b>(14,120)</b>	<b>(100,359)</b>	<b>(78,517)</b>	<b>17,361</b>	<b>165,093</b>	<b>186,365</b>	<b>215,272</b>
<b>Asset management</b>										
Asset register summary (WDV)	1,260,630	1,178,773	1,303,338	1,201,299	1,262,478	1,262,478		1,241,659	1,188,561	1,131,355
Depreciation	48,972	43,683	43,907	42,648	42,648	42,648		49,900	51,397	55,548
Renewal and Upgrading of Existing Assets	68,455	89,447	103,243	55,649	75,565	75,565		28,220	14,701	31,968
Repairs and Maintenance	25,376	32,589	35,266	51,562	56,694	56,694		70,301	84,343	87,371
<b>Free services</b>										
Cost of Free Basic Services provided	–	–	–	–	–	–		–	–	–
Revenue cost of free services provided	(75,641)	(76,647)	(48,458)	(52,084)	(61,676)	(61,676)		(43,803)	(67,105)	(70,660)

#### EC105 Ndlambe - Table A1 Budget Summary

Description	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
	Audited	Audited	Audited	Original	Adjusted	Full Year	Pre-audit	Budget Year	Budget Year	Budget Year
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	143,573	146,672	170,174	183,503	183,503	183,503	150,926	194,843	204,975	215,634
Service charges	181,743	192,625	235,511	252,866	263,741	263,741	215,490	279,614	298,952	319,706
Investment revenue	7,977	12,244	10,515	14,215	14,215	14,215	4,506	5,966	6,276	6,603
Transfer and subsidies - Operational	128,498	136,763	148,220	225,558	226,456	226,456	159,789	156,623	160,891	165,026
Other own revenue	42,093	34,570	42,971	43,951	43,951	43,951	35,664	44,367	46,671	49,095
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>503,884</b>	<b>522,874</b>	<b>607,392</b>	<b>720,093</b>	<b>731,866</b>	<b>731,866</b>	<b>566,374</b>	<b>681,414</b>	<b>717,764</b>	<b>756,062</b>
Employee costs	184,822	197,970	214,913	213,426	215,979	215,979	181,856	224,318	234,819	245,771
Remuneration of councillors	7,671	8,482	8,682	8,469	8,469	8,469	7,403	8,476	8,484	8,492
Depreciation, amortisation and impairment	52,364	54,599	52,763	51,635	51,635	51,635	38,309	56,502	57,999	61,861
Interest, Dividends and Rent on Land	7,967	8,295	8,498	8,679	8,679	8,679	–	9,178	9,637	10,119
Inventory consumed and bulk purchases	136,643	144,278	144,275	146,806	141,857	141,857	121,809	134,661	141,538	148,602
Transfers and subsidies	4,529	4,304	5,196	5,738	5,562	5,562	4,960	4,306	4,352	4,502
Other expenditure	188,125	199,826	240,932	359,990	373,072	373,072	188,958	284,193	297,013	308,438
<b>Total Expenditure</b>	<b>582,120</b>	<b>617,753</b>	<b>675,259</b>	<b>794,742</b>	<b>805,252</b>	<b>805,252</b>	<b>543,295</b>	<b>721,634</b>	<b>753,843</b>	<b>787,784</b>
<b>Surplus/(Deficit)</b>	<b>(78,236)</b>	<b>(94,879)</b>	<b>(67,867)</b>	<b>(74,649)</b>	<b>(73,386)</b>	<b>(73,386)</b>	<b>23,079</b>	<b>(40,221)</b>	<b>(36,079)</b>	<b>(31,722)</b>
Transfers and subsidies - capital (monetary allocations)	141,420	120,205	171,705	169,700	246,801	246,801	(170,309)	70,990	66,148	69,635
Transfers and subsidies - capital (in-kind)	113	517	1,168	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp;</b>	<b>63,298</b>	<b>25,843</b>	<b>105,006</b>	<b>95,051</b>	<b>173,416</b>	<b>173,416</b>	<b>(147,229)</b>	<b>30,769</b>	<b>30,070</b>	<b>37,914</b>
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>	<b>63,298</b>	<b>25,843</b>	<b>105,006</b>	<b>95,051</b>	<b>173,416</b>	<b>173,416</b>	<b>(147,229)</b>	<b>30,769</b>	<b>30,070</b>	<b>37,914</b>

<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	135,336	120,758	169,424	158,518	232,934	232,934	160,736	84,638	62,421	65,208
Transfers recognised - capital	123,143	109,219	157,100	146,845	221,260	221,260	151,360	61,730	57,520	60,552
Borrowing	(2)	-	-	-	-	-	-	-	-	-
Internally generated funds	12,243	11,003	11,155	11,673	11,673	11,673	9,375	22,908	4,901	4,656
<b>Total sources of capital funds</b>	<b>135,384</b>	<b>120,222</b>	<b>168,256</b>	<b>158,518</b>	<b>232,934</b>	<b>232,934</b>	<b>160,736</b>	<b>84,638</b>	<b>62,421</b>	<b>65,208</b>
<b>Financial position</b>										
Total current assets	267,638	374,887	365,019	317,631	341,070	341,070	412,729	316,030	351,759	397,141
Total non current assets	1,433,371	1,497,336	1,639,052	1,604,811	1,820,351	1,820,351	1,759,799	1,855,444	1,859,866	1,863,213
Total current liabilities	248,107	380,036	360,979	292,363	333,050	333,050	336,007	310,064	310,509	311,205
Total non current liabilities	124,259	135,403	149,675	144,082	161,320	161,320	149,675	169,030	178,667	188,786
Community wealth/Equity	1,328,643	1,356,784	1,493,977	1,485,998	1,667,052	1,667,052	1,698,245	1,692,380	1,722,450	1,760,363
<b>Cash flows</b>										
Net cash from (used) operating	7,603	(483,075)	(648,617)	124,536	214,612	234,662	234,662	85,196	84,564	95,206
Net cash from (used) investing	(159,062)	(124,712)	(175,746)	(173,938)	(260,344)	(260,344)	(260,344)	(67,202)	(46,996)	(49,830)
Net cash from (used) financing	(2,072)	(1,439)	(973)	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end:</b>	<b>(75,745)</b>	<b>(541,990)</b>	<b>(685,813)</b>	<b>89,151</b>	<b>20,959</b>	<b>41,009</b>	<b>41,009</b>	<b>44,518</b>	<b>82,086</b>	<b>127,461</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	(75,700)	(541,944)	(685,769)	89,197	21,003	41,053	41,058	44,562	82,130	127,506
Application of cash and investments	15,294	215,012	184,830	34,780	30,341	24,706	(114,501)	61,022	73,142	85,089
<b>Balance - surplus (shortfall)</b>	<b>(90,995)</b>	<b>(756,956)</b>	<b>(870,599)</b>	<b>54,417</b>	<b>(9,338)</b>	<b>16,347</b>	<b>155,559</b>	<b>(16,459)</b>	<b>8,988</b>	<b>42,416</b>
<b>Asset management</b>										
Asset register summary (WDV)	1,260,630	1,178,773	1,303,338	1,201,299	1,262,478	1,262,478		1,241,833	1,188,735	1,131,529
Depreciation	48,972	43,683	43,907	42,648	42,648	42,648		49,900	51,397	55,548
Renewal and Upgrading of Existing Assets	68,455	89,447	103,243	55,649	75,565	75,565		40,359	21,062	31,968
Repairs and Maintenance	25,376	32,589	35,266	51,562	56,694	56,694		70,301	75,776	79,565
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	-	-	-		-	-	-
Revenue cost of free services provided	(75,641)	(76,647)	(48,458)	(52,084)	(61,676)	(61,676)		(54,195)	(67,105)	(70,660)

### EXPENDITURE RATIOS



The graph above illustrates the proportion of each expenditure category relative to total operating expenditure, indicating the extent to which these align with established norms:

- Employee-related costs (31%) and Councillors' remuneration (1%) account for 32% of total operating expenditure, which falls within the acceptable norm of 25%–40%. The Municipality continues to enforce strict controls to prevent unnecessary expansion of the organisational structure, while prioritising the filling of critical vacancies, particularly in Tier 1 service delivery functions. Key positions at middle management level, such as the Revenue Manager and Fleet Officer, are also prioritised due to their strategic importance.
- Contracted services constitute 17% of total operating expenditure, significantly exceeding the norm of 2%–5%. This is largely due to the outsourcing of electrical and security services, as well as the management and

maintenance of reverse osmosis plants, necessitated by limited internal technical capacity. These expenditures are essential to ensure uninterrupted service delivery and to safeguard municipal assets, thereby optimising long-term investments.

- Bulk purchases represent 14% of total operating expenditure and are primarily ring-fenced for Eskom bulk electricity purchases. Within the 2027 MTREF, Eskom tariff increase as approved by NERSA is 9.01% which will have a direct impact on this cost category.
- Depreciation accounts for 10% of total operating expenditure and relates to the depreciation of assets recorded in the fixed asset register. Assets are depreciated on a straight-line basis, measured at cost from the date they are available for use.
- Impairment losses make up 8% of total operating expenditure, with debt impairment being the primary contributor, alongside impairments on non-current assets. This trend reflects a relatively low projected collection rate of approximately 82%. To address this, revenue enhancement strategies will be intensified, particularly in Eskom-supplied areas where outstanding debt levels are highest.
- Irrecoverable debt write-offs comprise 6% of total operating expenditure. This is largely attributable to the Municipality not having control over collecting arear debt in Eskom electricity licence arears and increasing debt linked to deceased estates where no executors have been appointed, limiting the Municipality's ability to recover outstanding amounts.

The tables below outline the capital projects per ward over the 2027 MTREF period

**Capital projects for 2027 MTREF**

Function	Project	Region/Ward	2027 Final Budget	2028 Final Budget	2029 Final Budget
Electricity Services	Capital Spares: Installation of smart meters	Whole	2,500,000	1,500,000	1,000,000
	MV Networks: Rerouting of 11MV lines from midblock to safe section of Eagle Street	Ward 2	640,119	0	0
	MV Networks: Electrification of Bathurst Infill	Ward 5	1,256,522	6,361,739	0
	MV Networks: Electrification of Boknes Roads	Ward 2	0	0	6,649,565
	HV Transmission Conductors: Installation of 500kva mini substation at Dekselfontein in Alexandria	Ward 2	1,894,000	0	0
	MV Substations: Replacement of 5 way RMU in Albany substation	Ward 10	805,141	0	0
	MV Substations: Replacement of 5-way RMU at Chatham substation	Ward 10	805,141	0	0
	MV Substations: Normalisation of Port Alfred Receiving Substation	Ward 6	4,598,261	0	0
	Acquisition: Electrification of Horseplay: Phase 2: WIP	Ward 4	2,513,043	0	0
	MV Networks: Electrification of Ndokwenza: Phase 2: WIP	Ward 4	1,257,391	0	0
	MV Networks: Electrification of Newrest: Phase 2: WIP	Ward 6	2,513,043	0	0
	MV Substations: Normalisation of Port Alfred Receiving Substation	Ward 6	1,600,000	0	0
	MV Substations: Abstruction plant RMU	Ward 10	276,817	0	0
Water Services	Transport Assets: Vehicle Acquisition	Whole of the Municipality	1,800,000	0	0
	Water Treatment Works: Supply and delivery of water quality monitoring equipment	Ward 10	500,000	0	0
	Water Treatment Works: Supply and delivery of water infrastructure signage	Ward 10	250,000	0	0
	Water Treatment Works: Refurbishment of Bathurst Water Treatment Plant	Ward 5	4,347,826	5,217,391	3,342,853
	Distribution: Replacement of water meters and valves	Whole of the Municipality	910,000	0	0
	Replacement of valves: East Bank Reservoirs	Ward 10	0	55,000	57,750
	Replacement of valves: West Bank Reservoirs	Ward 10	0	55,000	57,750
	Replacement of valves: Rosehill Reservoirs	Ward 10	0	55,000	57,750
	Replacement of valves: Nkwenkwezi Reservoirs	Ward 8	0	40,000	42,000
	Replacement of valves: Santa Reservoirs	Ward 6	0	40,000	42,000
	Replacement of valves: Thornhill Elevated Tower	Ward 6	0	45,000	47,250
	Replacement of valves: Nemato Reservoirs	Ward 8	0	50,000	52,500

Replacement of valves: Seafield Reservoirs	Ward 6	0	45,000	47,250
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Replacement of valves: Alexandria Main Reservoirs	Ward 1	0	50,000	52,500
Replacement of valves: Cannon Rocks Reservoirs	Ward 2	0	75,000	78,750
Replacement of valves: Boknes Reservoirs	Ward 2	0	75,000	78,750
Replacement of valves: Toposcope Reservoirs	Ward 5	0	50,000	52,500
Replacement of valves: Kenton-On-Sea Reservoirs	Ward 4	0	60,000	63,000
Replacement of valves: Bushmans Reservoirs	Ward 3	0	40,000	42,000
Replacement of valves: Sarel Hayward Dam	Whole of the Municipality	100,000	105,000	110,250
Replacement of valves: Central Belt Boreholes	Whole of the Municipality	50,000	52,500	55,125
Replacement of valves: Mansfield Dam	Ward 5	250,000	100,000	100,000
Replacement of valves: Cape Padrone Raw Water	Ward 2	100,000	105,000	110,250
Replacement of valves: Fish Kraal Raw Water	Ward 2	0	100,000	105,000
Replacement of valves: Cannon Rocks Boreholes	Ward 2	100,000	105,000	110,250
Distribution Points: Refurbishment of Telemetry System	Whole of the Municipality	1,600,000	0	0
Replacement of valves: Cape Padrone Pump	Ward 2	40,000	42,000	44,100
Replacement of valves: Fish Kraal Pump Station	Ward 1	0	40,000	42,000
Replacement of valves: Main Transfer Pump	Ward 2	40,000	42,000	44,100
Replacement of valves: Wentzel Park Booster Pump Station	Ward 2	0	20,000	21,000
Replacement of valves: Mandela Booster Pump Station	Ward 1	0	20,000	21,000
Replacement of valves: Boknes Booster Pump Station	Ward 1	0	40,000	42,000
Replacement of valves: Ekuphumleni Booster Pump Station	Ward 4	0	45,000	47,250
Replacement of valves: Marselle Booster Pump Station	Ward 3	0	20,000	21,000
Replacement of valves: Bushmans Booster Pump Station	Ward 3	0	15,000	15,750
Replacement of valves: Smith Street Pump Station	:Ward 10	75,000	78,750	82,688
Replacement of valves: Alfred Road Pump Station	Ward 10	80,000	84,000	88,200
Replacement of valves: Rosehill Booster Pump Station	Ward 10	0	25,000	26,250
Replacement of valves: Nemato Water Plant Station	Ward 8	60,000	63,000	66,150
Replacement of valves: Pump Station No 1 (Port Alfred Bulk Water Supply)	Whole of the Municipality	80,000	84,000	88,200

	Replacement of valves: Pump Station No 2 (Port Alfred Bulk Water Supply)	Whole of the Municipality	80,000	84,000	88,200
	Replacement of valves: Pump Station No 3 (Port Alfred Bulk Water Supply)	Whole of the Municipality	80,000	84,000	88,200
	Replacement of valves: Lushington Pump Station	Ward 5	30,000	31,500	33,075
	Replacement of valves: Golden Ridge Dam Pump Station	Ward 5	0	30,000	31,500
	Replacement of valves: Port Alfred Water Reticulation Network	Whole of the Municipality	250,000	262,500	275,625
	Replacement of valves: Bathurst Water Reticulation Network	Ward 5	200,000	210,000	220,500
	Replacement of valves: Seafield Water Reticulation Network	Ward 6	150,000	157,500	165,375
	Replacement of valves: Alexandria Water Reticulation Network	Ward 2	100,000	105,000	110,250
	Replacement of valves: Cannon Rocks and Boknes Water Reticulation Network	Ward 2	150,000	157,500	165,375
	Replacement of valves: Kenton-On-Sea Water Reticulation Network	Ward 4	150,000	157,500	165,375
Refuse Disposal	Transport Assets: Vehicle Acquisition	Whole of the Municipality	3,300,000	0	0
Sports ground and Stadiums	Outdoor Facilities: Upgrading of Marselle Sport field Phase 3	Ward 3	782,609	0	0
Roads and general works	Upgrading of Ndlambe Roads: Alexandria Port Alfred Bathurst Station Hill Marselle Kenton-On-Sea	Whole of the Municipality	0	0	21,225,522
Roads and general works	Upgrading of Gladiola Road: Alexandria	Ward 2	2,768,631	0	0
Roads and general works	Roads: Upgrading of Atherstone Road	Ward 10	6,599,130	0	0
Roads and general works	Roads: Upgrading of Ndlambe Roads (Small Town Revitalisation)	Ward 3	1,385,217	0	0
Sewerage: Sanitation	Transport Assets: Vehicle Acquisition	Whole of the Municipality	2,300,000	0	0
Sewerage: Sewerage	Pump Station: Upgrading of Port Alfred Sewage Pump Stations	Ward 10	5,134,761	6,282,472	4,043,557
	Reticulation: Port Alfred Sewerage Industrial Area Reticulation and Bulk Link	Ward 10	3,478,261	5,535,789	7,865,018
	Reticulation: Port Alfred Sewerage Infrastructure Phase 1 Reticulation	Ward 10	4,430,457	0	0
	Upgrading of Sewer System Port Alfred: Phase 1	Ward 10	4,347,826	5,790,435	7,860,746
	Waste Water Treatment Works: Wastewater Treatment Works and Bulk Sewer Reticulation in Bathurst	Ward 5	16,143,108	28,332,478	9,565,217
Council General	Transport Assets: Vehicle Acquisition	Administrative	711,630	0	0
Office of the Speaker	Transport Assets: Vehicle Acquisition	Administrative	700,000	0	0
Information Technology	Computer Equipment: Computer Equipment	Administrative	150,000	200,000	300,000
<b>Capital expenditure</b>			<b>84,637,847</b>	<b>62,421,054</b>	<b>65,208,266</b>

The budget allocated to repairs and maintenance over the MTREF period is as outlined in the table below:

<b>Projects by Ward</b>	<b>2027 Budget</b>	<b>2028 Budget</b>	<b>2029 Budget</b>
<b>EC105 Ndlambe:Administrative or Head Office (Including Satellite Offices)</b>	<b>4,158,560</b>	<b>4,366,488</b>	<b>4,584,811</b>
Buildings: Maintenance of Building and Facilities	308,000	323,400	339,570
Buildings: Maintenance of municipal offices	60,000	63,000	66,150
Buildings: Maintenance of Office Buildings	1,515,560	1,591,338	1,670,904
Computer Equipment: Maintenance of Computer Equipment	10,000	10,500	11,025
Furniture and Office Equipment: Maintenance of Furniture and Office Equipment	50,000	52,500	55,125
Machinery and Equipment: Maintenance of plant and equipment	800,000	840,000	882,000
Transport Assets: Maintenance- Vehicles	370,000	388,500	407,925
Transport Assets: Maintenance of motor vehicles	1,045,000	1,097,250	1,152,112
<b>EC105 Ndlambe: Ward 1</b>	<b>2,491,000</b>	<b>2,882,675</b>	<b>3,026,811</b>
Civil Structure: Alexandria Reservoirs	-	17,500	18,375
Maintenance of High mast: Alexandria	270,000	283,500	297,675
Maintenance of Street lights: Bokness Cannon Rocks	471,000	494,550	519,278
Pavements: Pothole Patching of Alexandria Wentzel Park KwaNonkqubela CBD & Suburb Area	555,000	582,750	611,888
Pavements: Re-gravelling of Alexandria Wentzel Park KwaNonkqubela CBD & Suburb Area	-	123,375	129,544
Pavements: Slurry Sealing of Alexandria of Wentzel Park KwaNonkqubela CBD & Suburb Area	-	40,000	42,000
Pipe Work: Boknes Booster Pumps	-	26,250	27,563
Pipe Work: Cape Padrone Pumpstation	170,000	178,500	187,425
Pipe Work: Clearing of stormwater channels and grass on paved roads in Alexandria Wentzel Park KwaNonkqubela CBD & Suburb Area	325,000	341,250	358,313
Pipe Work: Fish Kraal Pumpstation	-	42,500	44,625
Pipe Work: Mandela Booster Pump	-	17,500	18,375
Repairs and Maintenance: Cannon Rocks RO Plant	300,000	315,000	330,750
Wastewater Treatment Plant: Alexandria	400,000	420,000	441,000
<b>EC105 Ndlambe:Ward 10</b>	<b>2,821,588</b>	<b>3,287,877</b>	<b>3,452,275</b>
Buildings: Maintenance of Krantz - Ntakaz'lali	80,000	84,000	88,200
Civil Structure: East Bank Reservoirs	-	18,750	19,688
Civil Structure: West Bank Reservoirs	-	18,750	19,688
Drainage: Clearing of stormwater channels and grass on paved roads in Port Alfred East Bank	128,251	134,664	141,397
Drainage: Clearing of stormwater channels and grass on paved roads in Port Alfred West Bank	389,185	408,644	429,076

Maintenance of Buildings: Willows Caravan Park	100,000	105,000	110,250
Pavements: Pothole patching of Broadway and Falcon Street	79,780	83,769	87,957
Pavements: Pothole patching of Cause Way and Main Street	78,740	82,677	86,811
Pavements: Pothole patching of Greenmantle and Gleneagles Street	119,130	125,086	131,341
Pavements: Pothole patching of Henry and Becker Street	51,500	54,075	56,779
Pavements: Pothole patching of Mentone Road and Stocks Avenue	90,550	95,077	99,831
Pavements: Pothole patching of Miles and Hill Street	53,776	56,464	59,288
Pavements: Pothole patching of Miles Bowker Road	75,790	79,579	83,559
Pavements: Pothole patching of Muller and Oriole Street	75,880	79,674	83,658
Pavements: Pothole patching of Sea Breeze and Freshwater Street	69,140	72,597	76,227
Pavements: Pothole patching of Sports Road and Dove Lane	63,460	66,633	69,965
Pavements: Re-gravelling of Muirfield Street	93,633	98,314	103,230
Pavements: Slurry sealing of Atherstone Road	-	19,713	20,698
Pavements: Slurry sealing of Halsted Lane and Beach Crescent	-	33,278	34,942
Pavements: Slurry sealing of Hirtzel Road	-	9,015	9,466
Pavements: Slurry sealing of Putt Road	-	29,368	30,836
Pavements: Slurry sealing of Southdown's Avenue	-	58,883	61,827
Pavements: Slurry sealing of Umdoni Road	-	28,963	30,411
Pavements: Slurry sealing of Wesley Hill and Smith Street	-	55,993	58,792
Pipe Work: Clearing of stormwater pipes in Pascoe Crescent Wharf Street Becker Street	29,518	30,994	32,544
Pipe Work: Clearing of stormwater pipes on road to dumpsite	3,255	3,417	3,588
Pipe Work: Rose Hill Booster Pump	-	52,500	55,126
Pipe Work: Smith Street Pumpstation	240,000	252,000	264,600
Repairs and Maintenance: Port Alfred RO Plant	200,000	210,000	220,500
Wastewater Treatment Plant: Port Alfred	800,000	840,000	882,000
<b>EC105 Ndlambe:Ward 2</b>	<b>2,144,800</b>	<b>2,457,165</b>	<b>2,580,024</b>
Civil Structure: Bokness Reservoirs	-	37,500	39,375
Civil Structure: Cape Padrone Raw Water Collection	230,000	241,500	253,575
Civil Structure: Fish Kraal Raw Water Abstraction	-	37,500	39,375
Maintenance of Street lights: Alexandria	209,800	220,290	231,305
Pavements: Pothole Patching of Boknes & Cannon Rocks	250,000	262,500	275,625
Pavements: Re-gravelling of Boknes & Cannon Rocks	-	55,125	57,881
Pavements: Slurry Sealing of Boknes & Cannon Rocks	-	57,500	60,375
Pipe Work: Alexandria Water Reticulation Network	300,000	315,000	330,750

Pipe Work: Cannon Rocks Water Reticulation Network	350,000	367,500	385,875
Pipe Work: Clearing of stormwater channels and grass on paved roads in Boknes & Cannon Rocks	150,000	157,500	165,375
Pipe Work: Kenton-on-Sea Water Reticulation Network	400,000	420,000	441,000
Pipe Work: Main Transfer Pumpstation	255,000	267,750	281,138
Pipe Work: Wentzel Park Booster Pump	-	17,500	18,375
<b>EC105 Ndlambe:Ward 3</b>	<b>1,364,400</b>	<b>1,578,870</b>	<b>1,657,814</b>
Civil Structure: Bushmans Reservoirs	-	22,500	23,625
Civil Structure: Cannon Rocks Reservoirs	-	17,500	18,375
Maintenance of Buildings: Bushmans Caravan Park	100,000	105,000	110,250
Maintenance of High mast: Marselle	270,000	283,500	297,675
Maintenance of Street lights: Marselle/Bushmans	164,400	172,620	181,251
Pavements: Slurry Sealing of Klipfontein Marselle Riverbend & Bushmans	-	77,500	81,375
Pipe Work: Bushmans Booster Pumpstation	-	18,750	19,688
Pipe Work: Cannon Rocks Boreholes	200,000	210,000	220,500
Pipe Work: Clearing of stormwater channels and grass on paved roads in Klipfontein Marselle Riverbend and Bushmans	330,000	346,500	363,825
Pipe Work: Marselle Booster Pumpstation	-	10,000	10,500
Wastewater Treatment Plant: Bushmans	300,000	315,000	330,750
<b>EC105 Ndlambe:Ward 4</b>	<b>2,257,000</b>	<b>2,744,037</b>	<b>2,881,242</b>
Civil Structure: Kenton-on-Sea Reservoirs	-	22,500	23,625
Maintenance of High mast: Kenton-on-Sea	166,000	174,300	183,015
Maintenance of Street lights: Kenton-on-Sea	471,000	494,550	519,278
Pavements: Pothole Patching of Kenton Maryhill Ekuphumleni CBD & Suburb Area	440,000	462,000	485,100
Pavements: Pothole Patching of Klipfontein Marselle Riverbend & Bushmans	485,000	509,250	534,713
Pavements: Re-gravelling of Kenton Maryhill Ekuphumleni CBD & Suburb Area	-	81,375	85,444
Pavements: Re-gravelling of Klipfontein Marselle Riverbend & Bushmans	-	111,562	117,141
Pavements: Slurry Sealing of Kenton Maryhill Ekuphumleni CBD & Suburb Area	-	117,500	123,375
Pipe Work: Clearing of stormwater channels and grass on paved roads in Kenton Maryhill Ekuphumleni CBD & Suburb Area	295,000	309,750	325,238
Pipe Work: Ekuphumleni Booster Pumpstation	-	41,250	43,313
Wastewater Treatment Plant: Kenton-On-Sea	400,000	420,000	441,000
<b>EC105 Ndlambe:Ward 5</b>	<b>2,416,889</b>	<b>2,656,482</b>	<b>2,789,308</b>
Civil Structure: Bathurst Reservoirs	-	21,250	22,313

Civil Structure: Bathurst Water Treatment Plant	-	60,000	63,000
Drainage: Clearing of stormwater channels and grass on paved roads in Bathurst	190,410	199,930	209,927
Maintenance of High mast: Bathurst	270,000	283,500	297,675
Maintenance of Street lights: Bathurst	90,000	94,500	99,225
Pavements: Pothole patching of Memani Street and Nico Malan Road	60,060	63,063	66,216
Pavements: Re-gravelling of Bird Street	124,478	130,701	137,237
Pavements: Re-gravelling of Boundary Road	315,054	330,807	347,347
Pavements: Re-gravelling of Donkin Terrace	137,697	144,582	151,811
Pavements: Re-gravelling of Main Road to Tembisa	283,108	297,263	312,127
Pavements: Re-gravelling of Milkwood Road	196,082	205,886	216,180
Pipe Work: Bathurst Water Reticulation Network	450,000	472,500	496,125
Pipe Work: Lushington Pump Station	300,000	315,000	330,750
Wastewater Treatment Plant: Bathurst	-	37,500	39,375
<b>EC105 Ndlambe:Ward 6</b>	<b>1,420,598</b>	<b>1,836,596</b>	<b>1,928,431</b>
Civil Structure: Santa Reservoirs	-	22,500	23,625
Civil Structure: Seafield Reservoirs	-	18,750	19,688
Civil Structure: Thornhill Reservoirs	-	15,000	15,750
Drainage: Clearing of stormwater channels and grass on paved roads in Kleinemonde and Seafield	54,957	57,705	60,590
Maintenance of Street lights: Kleinemonde	13,700	14,385	15,104
Pavements: Pothole patching of Cuyler Road	13,770	14,459	15,181
Pavements: Pothole patching of Beach Crescent	17,780	18,669	19,602
Pavements: Pothole patching of Disa Street	20,576	21,604	22,685
Pavements: Pothole patching of Ferndale Road	31,714	33,299	34,965
Pavements: Pothole patching of Freeman Crescent	30,934	32,480	34,105
Pavements: Pothole patching of Groenvlei Street	23,610	24,790	26,030
Pavements: Pothole patching of Hillcrest Road	38,670	40,603	42,634
Pavements: Pothole patching of Island Road	34,770	36,508	38,334
Pavements: Pothole patching of Malgas Street	20,836	21,877	22,972
Pavements: Pothole Patching of Nelson Street	22,136	23,242	24,405
Pavements: Pothole patching of Purdon Road	32,690	34,324	36,041
Pavements: Re-gravelling of Hill Street	384,455	403,678	423,862
Pavements: Slurry sealing of Bathurst Road	-	28,963	30,411
Pavements: Slurry Sealing of Cross Road	-	7,743	8,130
Pavements: Slurry sealing of Dickinson Drive	-	42,708	44,843
Pavements: Slurry sealing of Fletcher Road	-	49,113	12,401
Pavements: Slurry sealing of Island Road	-	25,790	27,080

Pavements: Slurry sealing of Marina Glen	-	19,623	20,604
Pavements: Slurry sealing of Nature's Way	-	36,025	37,826
Pavements: Slurry sealing of North and Galpin Close	-	38,020	39,921
Pavements: Slurry sealing of Peninsula Road	-	11,810	51,568
Pavements: Slurry sealing of Yolk Road	-	28,928	30,374
Pipe Work: Alfred Road Pumpstation	280,000	294,000	308,700
Pipe Work: Seafield Water Reticulation Network	400,000	420,000	441,000
<b>EC105 Ndlambe:Ward 7</b>	<b>447,243</b>	<b>469,605</b>	<b>493,086</b>
Pavements: Re-gravelling of Msimbithi Street	240,696	252,731	265,368
Pavements: Re-gravelling of Sakhwatsha Street	206,547	216,874	227,718
<b>EC105 Ndlambe:Ward 8</b>	<b>657,559</b>	<b>751,108</b>	<b>786,663</b>
Civil Structure: Nkwenkwezi Reservoirs	-	16,250	17,063
Pavements: Re-gravelling of Dan Tloame and Rhayi Street	354,712	372,448	391,070
Pavements: Slurry sealing of Gwala Street	-	22,705	23,840
Pavements: Slurry sealing of Ntente Street	-	21,715	22,801
Pipe Work: Clearing of stormwater culverts in Joe Slovo and Dan Tloame Street	12,847	13,490	14,164
Pipe Work: Nemato Water Treatment Works	290,000	304,500	317,725
<b>EC105 Ndlambe:Ward 9</b>	<b>1,703,013</b>	<b>1,845,468</b>	<b>1,937,745</b>
Civil Structure: Nemato Reservoirs	-	32,500	34,125
Maintenance of High mast: Port Alfred	540,000	567,000	595,350
Pavements: Pothole patching of Gwala Street	32,040	33,642	35,324
Pavements: Pothole patching of Mabindisa Street	13,250	13,912	14,608
Pavements: Pothole patching of Mbexa Street	50,590	53,119	55,776
Pavements: Pothole patching of Mdoda Street	29,872	31,365	32,934
Pavements: Pothole patching of Ngxokolo Street	29,872	31,365	32,934
Pavements: Pothole patching of Ntente Street	13,250	13,912	14,608
Pavements: Pothole patching of Tyali Street	51,370	53,938	56,635
Pavements: Re-gravelling of Shiceka Street	250,611	263,141	276,298
Pavements: Re-gravelling of Tholetyuka Road	310,097	325,602	341,882
Pavements: Slurry sealing of Jauka Street	-	22,945	24,092
Pavements: Slurry sealing of Ntontela Street	-	21,610	22,691
Pipe Work: Clearing of stormwater culverts in Nemato entrance	3,255	3,417	3,588
Pipe Work: Clearing of stormwater pipes in Centenary Park Road	18,806	-	-
Pipe Work: Nemato Water Treatment Works	360,000	378,000	396,900
<b>EC105 Ndlambe: Whole of the Municipality</b>	<b>48,418,564</b>	<b>50,899,995</b>	<b>53,447,092</b>
Buildings: Kap River and Roundhill	155,000	162,750	170,887

Buildings: Maintenance of Building and Facilities	674,000	707,700	743,085
Buildings: Maintenance of Office Buildings	35,000	36,750	38,587
Drainage: Clearing of stormwater channels and grass on paved roads in Nemato	558,432	586,354	615,671
drainage: Clearing of stormwater channels and grass on paved roads in Station Hill	126,644	132,977	139,625
Electrical Equipment: RO Plant Operation and Maintenance( Inclusive of Electricity and Chemicals)	33,748,618	35,436,050	37,207,852
External Facilities Maintenance of Sport Fields in Ndlambe Area	170,000	178,500	187,425
External Facilities: Maintenance of landfill sites	7,480,200	7,854,210	8,246,921
Machinery and Equipment: Machinery and Equipment	65,000	66,250	71,663
Machinery and Equipment: Maintenance of plant and equipment	120,000	126,000	132,300
Machinery and Equipment: Maintenance of Fencing	350,000	367,500	385,875
Maintenance of Street lights: Port Alfred	840,000	882,000	926,100
Pipe Work: Central Belt Boreholes	100,000	105,000	110,250
Pipe Work: Golden Ridge Dam	-	62,500	65,625
Pipe Work: Port Alfred Water Reticulation Network	800,000	840,000	882,000
Pipe Work: Pump Station 1 Horseshoe	520,000	546,000	573,300
Pipe Work: Pump Station 2	470,000	493,500	518,175
Pipe Work: Pump Station 3	370,000	388,500	407,925
Transport Assets: Maintenance- Vehicles	145,670	152,954	160,601
Transport Assets: Maintenance of motor vehicles	1,690,000	1,774,500	1,863,225
<b>Grand Total</b>	<b>70,301,214</b>	<b>75,776,366</b>	<b>79,565,302</b>

The repair and maintenance costs have increased by 24% compared to the previous budget and are forecasted to rise by 8% for 2027/28 and 5% for 2028/29. The norm has increased from 4.5% to 5.7% in 2026/27, 6.4% for 2027/28 and 7% for 2028/29

## 1.4 BUDGET SUPPORTING TABLES

Budget supporting tables 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 2026/2027 budget and MTREF to be approved by the Council. The tables will be presented as the appendix of this document and the *explanatory note* for each table is provided below. The narrations of these tables are outlined in the overview and executive summary.

### 1.6.1 Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

EC105 Ndlambe - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)										
Functional Classification Description	###	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
<b>R thousand</b>	1									
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		249,255	228,303	280,327	297,948	297,948	297,948	315,207	329,868	346,378
Executive and council		4,943	2,065	4,587	4,763	4,763	4,763	4,930	5,101	5,260
Finance and administration		244,312	225,738	275,295	293,185	293,185	293,185	310,277	324,767	341,118
Internal audit		-	500	444	-	-	-	-	-	-
<b>Community and public safety</b>		10,729	19,622	10,057	78,896	80,738	80,738	6,119	4,263	4,461
Community and social services		3,291	3,345	2,758	3,469	5,311	5,311	3,531	3,539	3,699
Sport and recreation		487	10,459	1,298	1,666	1,666	1,666	2,193	308	324
Public safety		3,137	2,272	192	299	299	299	112	118	124
Housing		1,860	2,109	1,978	71,270	71,270	71,270	(7)	(7)	(8)
Health		1,956	1,436	3,830	2,193	2,193	2,193	290	305	321
<b>Economic and environmental services</b>		23,826	28,291	47,504	60,360	63,248	63,248	26,292	14,591	37,794
Planning and development		5,174	6,369	9,242	8,165	7,321	7,321	9,753	10,200	8,765
Road transport		17,463	20,709	37,324	50,570	54,302	54,302	13,395	1,083	25,549
Environmental protection		1,189	1,212	938	1,625	1,625	1,625	3,145	3,308	3,480
<b>Trading services</b>		357,922	365,559	438,679	447,512	531,656	531,656	400,479	430,662	432,300
Energy sources		86,268	98,124	116,188	141,866	141,866	141,866	170,474	174,371	185,959
Water management		100,534	115,541	134,576	146,124	205,325	205,325	101,058	109,253	114,891
Waste water management		142,601	114,981	132,960	101,691	126,634	126,634	82,337	98,004	79,867
Waste management		28,520	36,914	54,955	57,830	57,830	57,830	46,609	49,033	51,583
<b>Other</b>	4	3,686	1,821	3,698	5,076	5,076	5,076	4,305	4,529	4,764
<b>Total Revenue - Functional</b>	2	645,418	643,596	780,265	889,793	978,668	978,668	752,403	783,912	825,698
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		152,269	163,382	166,788	201,590	196,742	196,742	170,413	176,111	183,003
Executive and council		41,821	45,577	44,176	50,978	53,063	53,063	42,723	44,256	45,818
Finance and administration		102,350	109,157	114,447	140,556	133,623	133,623	118,708	122,506	127,517
Internal audit		8,098	8,648	8,165	10,056	10,056	10,056	8,982	9,348	9,688
<b>Community and public safety</b>		44,179	45,250	54,101	130,620	132,614	132,614	52,037	52,907	55,165
Community and social services		11,655	11,486	14,360	18,845	19,587	19,587	14,350	14,856	15,544
Sport and recreation		14,681	15,287	19,254	21,511	21,372	21,372	18,641	18,123	18,760
Public safety		11,531	12,234	13,019	12,367	12,421	12,421	12,825	13,418	14,047
Housing		4,178	4,170	5,037	75,131	76,487	76,487	3,196	3,343	3,498
Health		2,133	2,072	2,431	2,766	2,746	2,746	3,025	3,167	3,317
<b>Economic and environmental services</b>		100,352	96,843	105,378	103,578	102,058	102,058	108,706	113,634	116,206
Planning and development		38,785	33,370	38,056	35,675	34,585	34,585	34,372	35,025	34,388
Road transport		58,604	60,948	64,870	65,104	64,714	64,714	70,515	74,624	77,685
Environmental protection		2,963	2,525	2,452	2,798	2,758	2,758	3,819	3,985	4,133
<b>Trading services</b>		282,536	308,957	346,420	356,365	371,188	371,188	387,168	407,721	429,771
Energy sources		110,010	126,326	125,255	133,085	133,085	133,085	161,442	169,463	180,776
Water management		106,294	100,798	122,832	116,370	122,370	122,370	119,283	125,921	132,037
Waste water management		29,376	34,432	47,044	46,934	55,276	55,276	54,377	56,461	58,323
Waste management		36,855	47,401	51,290	59,976	60,458	60,458	52,065	55,875	58,635
<b>Other</b>	4	2,785	3,321	2,572	2,589	2,650	2,650	3,311	3,470	3,639
<b>Total Expenditure - Functional</b>	3	582,120	617,753	675,259	794,742	805,252	805,252	721,634	753,843	787,784
<b>Surplus/(Deficit) for the year</b>		63,298	25,843	105,006	95,051	173,416	173,416	30,769	30,070	37,914

The table above outlines the revenue and expenditure by functional classification:

## **Governance and Administration**

- The revenue budget for Governance and Administration for 2026/27 amounts to R315.277 million, reflecting an increase of R17,259 million (6%) from the 2025/26 adjusted budget. This growth is primarily driven by increases in operating grants, notably the equitable share, as well as property rates, which remain the key revenue contributors.
- Operating expenditure for this function is projected at R170,413 million in 2026/27, increasing to R176.111 million in 2027/28 and R183.003 million in 2028/29. This represents a decrease of R26,329 million (-13%) compared to the 2025/26 adjusted budget, with expenditure expected to grow at an average rate of 4% over the outer years.

## **Community and Public Safety**

- Total revenue for Community and Public Safety in 2026/27 is budgeted at R6.119 million, representing a significant decrease of R74.619 million (-92%) compared to the 2025/26 adjusted budget. This decline is mainly attributable to Human Settlements grants that have not yet been confirmed for the upcoming financial year, resulting in the Upgrading of Informal Settlements Programme (UISP) projects not being budgeted for 2027 and the outer years. It should be APPROVED that these grants previously constituted the primary source of funding for UISP projects within this function.
- Operating expenditure is projected at R52,037 million for 2026/27, reflecting a decrease of R80,577 million (-61%), and is expected to increase by an average of 3% over the two outer years.

## **Economic and Environmental Services**

- Revenue for Economic and Environmental Services is projected at R26,292 million for 2026/27, reflecting a decrease of R36,956 million (-58%) compared to the 2025/26 adjusted budget. This reduction is mainly attributable to the absence of a confirmed disaster grant previously allocated for road paving.
- Operating expenditure is budgeted at R108.706 million, reflecting an increase of R6.232 million (7%) and is expected to increase by an average of 3.4% over the two outer years. This function includes roads and general works, with roads identified among the municipality's top four development priorities, thereby justifying the increased allocation.

## **Trading Services (Water, Wastewater, Waste, and Electricity)**

- Trading services revenue for 2026/27 is projected at R400.479 million, largely driven by tariffs as well as grants and subsidies. This reflects a decrease of R131.177 million (-25%) compared to the 2025/26 adjusted budget, mainly due to the Regional Bulk Infrastructure Grant not yet being confirmed or approved by the funding authority. The municipality continues to submit annual business plans, as this grant forms part of Schedule 6B of the Division of Revenue Act (DoRA) and Department Human Settlement bulk infrastructure grant.
- Operating expenditure for trading services is budgeted at R387.168 million, representing an increase of R15.980 million (4%) compared to the 2025/26 adjusted budget, and is projected to grow at an average of 5% over the outer years. Trading services are ring-fenced; however, apart from electricity, other services show a decline relative to the 2025/26 adjusted budget. This is primarily due to limited revenue projections driven by tariff income, coupled with high levels of outstanding debt requiring impairment and the write-off of irrecoverable amounts.

## 1.6.2 Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

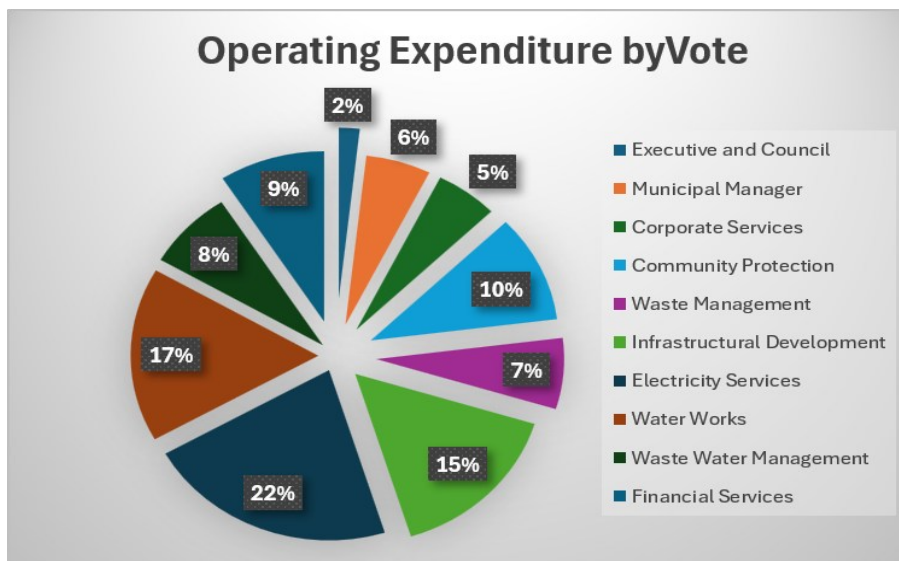
EC1U5 Ndlambe - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	###	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited	Audited	Audited	Original	Adjusted	Full Year	Budget Year	Budget Year +1	Budget Year +2
<b>R thousand</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		4,443	2,048	4,581	4,763	4,763	4,763	4,930	5,101	5,260
Vote 2 - MUNICIPAL MANAGER		504	517	450	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		14,793	4,366	3,938	3,999	5,842	5,842	3,914	3,941	4,123
Vote 4 - COMMUNITY AND PROTECTION SERVICES		2,486	2,015	4,294	3,902	3,902	3,902	2,613	1,697	1,785
Vote 5 -		8,240	15,526	5,821	7,000	7,000	7,000	8,461	7,954	8,368
Vote 6 - INFRASTRUCTURAL DEVELOPMENT		24,220	28,882	47,192	129,963	132,851	132,851	22,112	10,193	33,167
Vote 7 - ELECTRICITY SERVICES		86,268	98,124	116,188	141,866	141,866	141,866	170,474	174,371	185,959
Vote 8 - WATER WORKS		100,534	115,541	134,576	146,124	205,325	205,325	101,058	109,253	114,891
Vote 9 - FINANCIAL SERVICES		232,810	224,683	275,310	292,655	292,655	292,655	309,894	324,364	340,695
Vote 10 -		-	0	-	-	-	-	-	-	-
Vote 11 - WASTE MANAGEMENT		28,520	36,914	54,955	57,830	57,830	57,830	46,609	49,033	51,583
Vote 12 - WASTE WATER MANAGEMENT		142,601	114,981	132,960	101,691	126,634	126,634	82,337	98,004	79,867
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>645,418</b>	<b>643,596</b>	<b>780,265</b>	<b>889,793</b>	<b>978,668</b>	<b>978,668</b>	<b>762,403</b>	<b>783,912</b>	<b>825,698</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		12,922	13,522	14,349	15,180	15,547	15,547	12,902	13,085	13,277
Vote 2 - MUNICIPAL MANAGER		38,363	42,125	40,132	48,645	49,763	49,763	40,369	42,152	43,912
Vote 3 - CORPORATE SERVICES		40,883	40,391	47,965	43,256	45,786	45,786	38,890	40,481	42,278
Vote 4 - COMMUNITY AND PROTECTION SERVICES		35,216	34,906	40,303	40,045	40,334	40,334	38,831	38,802	40,230
Vote 5 -		25,095	28,082	29,336	31,457	31,167	31,167	35,029	36,645	38,330
Vote 6 - INFRASTRUCTURAL DEVELOPMENT		102,376	102,960	107,041	174,471	175,101	175,101	111,502	116,481	119,161
Vote 7 - ELECTRICITY SERVICES		107,962	123,276	123,631	129,809	129,809	129,809	156,158	163,945	174,991
Vote 8 - WATER WORKS		106,294	100,798	122,832	116,370	122,370	122,370	119,283	125,921	132,037
Vote 9 - FINANCIAL SERVICES		50,210	53,657	60,885	92,250	83,774	83,774	65,662	67,595	70,385
Vote 10 -		26	7	(5,453)	-	-	-	-	-	-
Vote 11 - WASTE MANAGEMENT		33,396	43,598	47,196	56,326	56,326	56,326	48,631	52,275	54,859
Vote 12 - WASTE WATER MANAGEMENT		29,376	34,432	47,044	46,934	55,276	55,276	54,377	56,461	58,323
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>582,120</b>	<b>617,753</b>	<b>675,259</b>	<b>794,742</b>	<b>805,252</b>	<b>805,252</b>	<b>721,634</b>	<b>753,843</b>	<b>787,784</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>63,298</b>	<b>25,843</b>	<b>105,006</b>	<b>95,051</b>	<b>173,416</b>	<b>173,416</b>	<b>30,769</b>	<b>30,070</b>	<b>37,914</b>

The table above outlines revenue and expenditure by vote

The total operating expenditure amounts to R721,634 million for 2026/27, which reflects a decrease of R83,618 million(-10%) compared to 2025/26 adjusted budget. The two service departments were prioritized as a tier 1.

The pie chart below illustrates the operating expenditure allocations to the votes of the municipality for the period of 2026/27.



The prioritisation of projected revenue from the municipality's own revenue sources is strategically aligned to

support core service delivery functions and key supporting departments. This approach ensures that the municipality's top four development priorities remain adequately funded and are not compromised.

As illustrated in the accompanying pie chart, **Infrastructure Development and its associated trading services** continue to receive the largest share of allocations. The distribution is as follows:

- **Electricity Services** account for 22% of the allocation, reflecting a 6% increase compared to the 2025/26 adjusted budget.
- **Water Works** represent 17%, showing a marginal increase of 1% from the 2025/26 adjusted budget.
- **Infrastructure Development** (including roads and general works) comprises 15%, reflecting a significant decrease of 16% compared to the 2025/26 adjusted budget. This decline is primarily due to housing grants that have not yet been confirmed for the 2026/27 financial year.
- **Community Protection Services** constitute 10%, with a 1% increase from the previous adjusted budget.
- **Financial Services** (including revenue collection and property valuations) account for 9%, reflecting a slight decrease of 1% compared to 2025/26.
- **Wastewater Management** represents 8%, with a 1% increase from the prior year.
- **Waste Management**, including landfill site rehabilitation, accounts for 7% and remains unchanged. This stability is attributed to curb operational expenditure for waste and allow for the acquisition of a refuse compactor from projected surpluses.
- The two supporting directorates, **Corporate Services** and the **Municipal Manager's Office** (which includes Local Economic Development), account for an average of 6%, reflecting a combined decrease of 1% compared to the 2025/26 adjusted budget.
- **Executive and Council Services**, including public participation, represent 2% and remain unchanged.

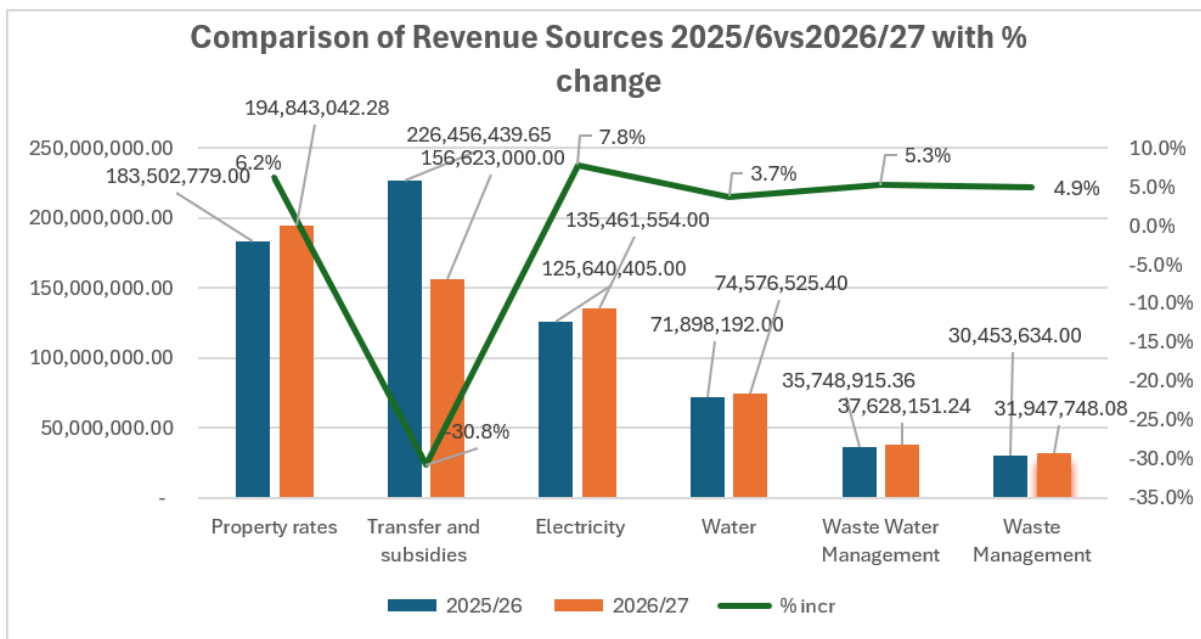
It is important to note that, although ring-fencing has been implemented across the municipality's five main revenue sources, certain trading services, particularly **Water Services** and **Wastewater Management**, continue to face financial constraints. The approved tariff increase of 5.2% is informed by the cost-of-supply study conducted in 2024, which is being implemented in three phases from 2025 to 2027. However, due to current price increases and the addition of two reverse osmosis plants that were not operational at the time of the study, the tariff adjustment remains insufficient to fully fund all critical operational and capital requirements necessary for the delivery of quality services. As a result, difficult prioritisation decisions were required to balance affordability with service delivery imperatives. A new cost of supply study for water services that will consider all the current operational costs will be considered for 2028 financial year.

**1.6.3 TABLE A4 BUDGETED FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE)** Table A4 represents the revenue per source as well as the expenditure per type. This classification is aligned to the GRAP disclosures in the annual financial statements of the municipality.

EC105 Ndlambe - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	###	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
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	80,862	92,197	113,862	125,640	125,640	125,640	107,218	135,462	144,944	155,090
Service charges - Water	2	64,111	59,338	68,605	71,898	71,898	71,898	53,807	74,577	80,656	87,276
Service charges - Waste Water Management	2	16,705	18,928	24,318	24,874	35,749	35,749	29,417	37,628	39,743	41,983
Service charges - Waste Management	2	20,266	22,161	28,727	30,454	30,454	30,454	25,079	31,948	33,609	35,357
Sale of Goods and Rendering of Services	2	3,130	3,894	3,978	4,128	4,128	4,128	3,981	5,614	5,906	6,213
Agency services	2	-	-	-	-	-	-	-	-	-	-
Interest											
Interest earned from Receivables	2	8,096	9,656	14,255	18,219	18,219	18,219	10,217	12,525	13,176	13,861
Interest earned from Current and Non Current Assets	2	7,977	12,244	10,515	14,215	14,215	14,215	4,506	5,966	6,276	6,603
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	1,047	1,080	1,121	1,317	1,317	1,317	1,334	2,029	2,135	2,246
Licence and permits	2	3,686	1,821	4,263	5,076	5,076	5,076	4,011	4,305	4,529	4,764
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	1,935	2,491	3,734	2,719	2,719	2,719	1,838	1,789	1,879	1,973
<b>Non-Exchange Revenue</b>											
Property rates	2	143,573	146,672	170,174	183,503	183,503	183,503	150,926	194,843	204,975	215,634
Surcharges and Taxes	2	7,540	8,212	6,614	7,327	7,327	7,327	5,954	7,584	7,978	8,393
Fines, penalties and forfeits	2	343	401	(80)	550	550	550	348	489	515	541
Licences or permits	2	1,266	1,314	1,166	1,968	1,968	1,968	2,172	3,431	3,609	3,797
Transfer and subsidies - Operational	2	128,498	136,763	148,220	225,558	226,456	226,456	159,789	156,623	160,891	165,026
Interest	2	3,846	4,603	6,665	2,647	2,647	2,647	4,952	6,601	6,945	7,306
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets	2	0	577	431	-	-	-	588	-	-	-
Other Gains	2	11,206	722	824	-	-	-	127	-	-	-
Discontinued Operations											
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>503,884</b>	<b>522,874</b>	<b>607,392</b>	<b>720,093</b>	<b>731,866</b>	<b>731,866</b>	<b>566,263</b>	<b>681,414</b>	<b>717,764</b>	<b>756,062</b>
<b>Expenditure</b>											
Employee related costs	2	184,822	197,970	214,913	213,426	215,979	215,979	181,856	224,318	234,819	245,771
Remuneration of councillors	2	7,671	8,482	8,682	8,469	8,469	8,469	7,403	8,476	8,484	8,492
Bulk purchases - electricity	2	84,363	96,280	94,526	92,354	92,354	92,354	87,312	100,536	105,563	110,841
Inventory consumed	2,8	52,280	47,998	49,749	54,452	49,502	49,502	34,497	34,124	35,975	37,760
Debt impairment	2,3	59,636	58,337	84,353	50,948	50,948	50,948	-	45,905	51,732	54,310
Depreciation, amortisation and impairment	2	52,364	54,599	52,763	51,635	51,635	51,635	38,309	56,502	57,999	61,861
Interest, Dividends and Rent on Land	2	7,967	8,295	8,498	8,679	8,679	8,679	-	9,178	9,637	10,119
Contracted services	2	72,787	89,795	90,557	181,915	189,656	189,656	103,999	122,381	126,577	130,245
Transfers and subsidies	2	4,529	4,304	5,196	5,738	5,562	5,562	4,960	4,306	4,352	4,502
Irrecoverable debts written off	2	191	21	31	41,774	41,774	41,774	29,614	43,874	43,769	45,959
Operational costs	2	41,237	46,749	62,740	85,354	90,694	90,694	53,652	72,034	74,935	77,924
Disposal of Fixed and Intangible Assets	2	14,262	4,907	8,679	-	-	-	1,484	-	-	-
Other Losses	2	12	17	(5,428)	-	-	-	209	-	-	-
<b>Total Expenditure</b>		<b>582,120</b>	<b>617,753</b>	<b>675,259</b>	<b>794,742</b>	<b>805,252</b>	<b>805,252</b>	<b>543,295</b>	<b>721,634</b>	<b>753,843</b>	<b>787,784</b>
<b>Surplus/(Deficit)</b>		<b>(78,236)</b>	<b>(94,879)</b>	<b>(67,867)</b>	<b>(74,649)</b>	<b>(73,386)</b>	<b>(73,386)</b>	<b>22,969</b>	<b>(40,221)</b>	<b>(36,079)</b>	<b>(31,722)</b>
Transfers and subsidies - capital (monetary allocations)	6	141,420	120,205	171,705	169,700	246,801	246,801	(170,309)	70,990	66,148	69,635
Transfers and subsidies - capital (in-kind)	6	113	517	1,168	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>63,298</b>	<b>25,843</b>	<b>105,006</b>	<b>95,051</b>	<b>173,416</b>	<b>173,416</b>	<b>(147,340)</b>	<b>30,769</b>	<b>30,070</b>	<b>37,914</b>
Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>63,298</b>	<b>25,843</b>	<b>105,006</b>	<b>95,051</b>	<b>173,416</b>	<b>173,416</b>	<b>(147,340)</b>	<b>30,769</b>	<b>30,070</b>	<b>37,914</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>63,298</b>	<b>25,843</b>	<b>105,006</b>	<b>95,051</b>	<b>173,416</b>	<b>173,416</b>	<b>(147,340)</b>	<b>30,769</b>	<b>30,070</b>	<b>37,914</b>
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>63,298</b>	<b>25,843</b>	<b>105,006</b>	<b>95,051</b>	<b>173,416</b>	<b>173,416</b>	<b>(147,340)</b>	<b>30,769</b>	<b>30,070</b>	<b>37,914</b>

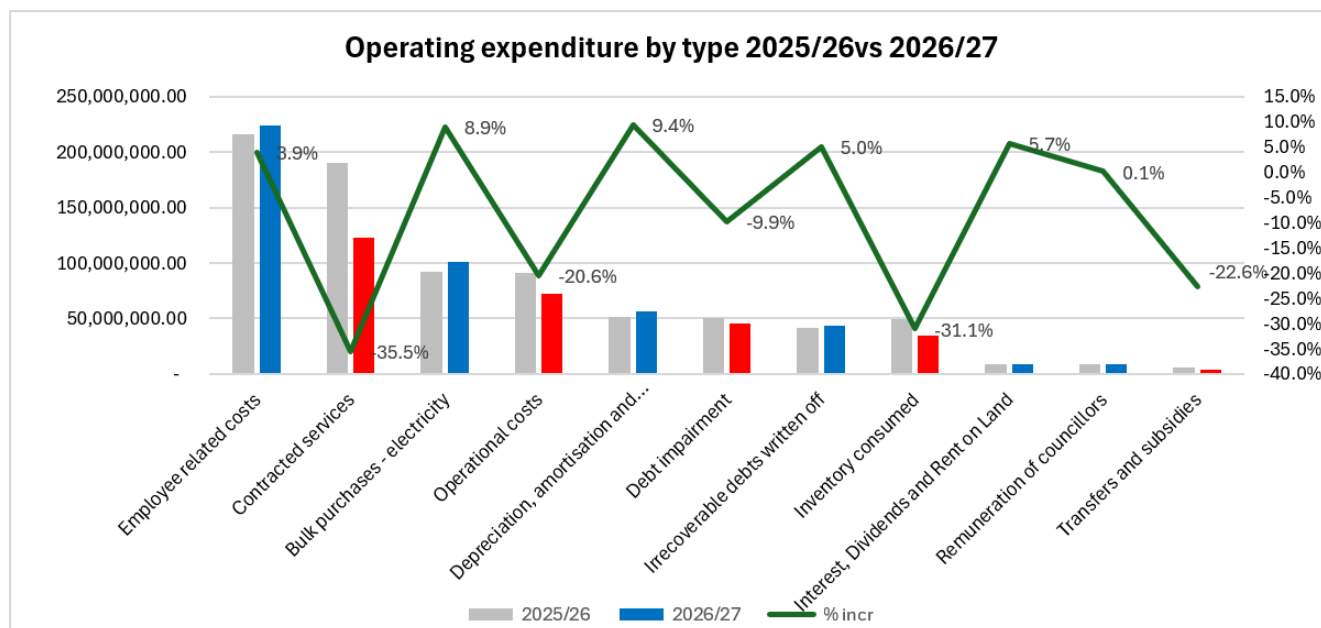
- The municipality has five main own revenue sources that are funding the operating budget. It's service charges: Electricity, Water, Wastewater and Waste services, the service charges are trading services their revenue is generated from the tariffs. Property rate is the fifth source which is also generated from the rate imposed on property values derived from the valuations. Operation grants and subsidies are external funding sources allocated on ring fenced activities within the operating budget that includes equitable share.



- The revenue analysis for 2026/27 reflects steady growth across key own revenue sources, particularly Electricity and Property Rates, indicating improved revenue generation. However, a significant 30.8% decline in Transfers and Subsidies places increased reliance on internally generated revenue. This shift necessitates stronger financial management, prioritisation of expenditure, and enhanced revenue collection efforts to sustain service delivery and support municipal priorities.

#### Operating Expenditure:

The budget allocation for the total operating expenditure for 2026/27 amounts to R721,634 million, that reflects a decline of R83,618 million (-10%) due to various factors such as reduction in operational grants and subsidies particularly Human Settlement which was previously reported in the statement of performance which is not allocated in 2026/27 MTREF as well as cost containment and prioritization.



- The 2026/27 operating expenditure reflects a strong focus on cost containment and the reprioritisation of resources. Significant reductions in **Contracted Services**, **Operational Costs**, and **Inventory Consumed** demonstrate deliberate efforts to improve efficiency and limit discretionary spending.

- Core expenditure items such as **Employee Costs** and **Bulk Electricity Purchases** have increased moderately, driven by inflationary pressures and the need to sustain essential service delivery. The notable decline in **Transfers and Subsidies** further underscores the constrained funding environment.
- It is important to highlight that **debt impairment remains the main contributor to the operating deficit**, presenting an ongoing challenge to the municipality's financial health despite overall expenditure controls.
- Nevertheless, the municipality has made measurable progress by reducing the operating deficit by **R33,165 million (-45%)** in the 2026/27 budget. This improvement reflects the positive impact of cost-containment measures, including the reduction of non-essential expenditure, the prioritisation of essential services, and the implementation of stricter spending controls.
- Looking ahead, further reviews will be conducted during the 2027/28 budget process to strengthen these efforts, with the goal of progressively reducing the deficit and achieving a budget surplus by 2028/29.
- Overall, the expenditure pattern demonstrates a strategic shift toward financial discipline, prioritising critical services while actively working to restore fiscal sustainability

## 1.6.4 TABLE A5. BUDGETED CAPITAL EXPENDITURE BY VOTE, FUNCTIONAL CLASSIFICATION, AND FUNDING

Vote Description	###	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
<b>R thousand</b>	1										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY AND PROTECTION SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 5 -		-	-	-	-	-	-	-	-	-	-
Vote 6 - INFRASTRUCTURAL DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 7 - ELECTRICITY SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 8 - WATER WORKS		-	-	-	-	-	-	-	-	-	-
Vote 9 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 - WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 12 - WASTE WATER MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - EXECUTIVE AND COUNCIL		829	745	9	560	513	513	-	1,412	-	-
Vote 2 - MUNICIPAL MANAGER		1,211	491	272	771	108	108	-	150	200	300
Vote 3 - CORPORATE SERVICES		1,683	664	870	187	274	274	-	-	-	-
Vote 4 - COMMUNITY AND PROTECTION SERVICES		1,141	449	506	3,507	2,052	2,052	-	174	-	-
Vote 5 -		2,908	12,023	1,638	580	74	74	-	783	-	-
Vote 6 - INFRASTRUCTURAL DEVELOPMENT		16,663	17,607	36,362	45,332	50,909	50,909	-	10,753	-	21,226
Vote 7 - ELECTRICITY SERVICES		1,852	558	-	12,834	10,971	10,971	-	20,659	7,862	7,650
Vote 8 - WATER WORKS		23,316	26,548	42,762	42,458	101,034	101,034	-	11,573	8,418	6,689
Vote 9 - FINANCIAL SERVICES		941	1,115	668	371	321	321	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 - WASTE MANAGEMENT		1,934	3,358	2,667	-	-	-	-	3,300	-	-
Vote 12 - WASTE WATER MANAGEMENT		82,857	57,199	83,670	51,919	66,677	66,677	-	35,834	45,941	29,335
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>135,336</b>	<b>120,758</b>	<b>169,424</b>	<b>158,518</b>	<b>232,934</b>	<b>232,934</b>	<b>-</b>	<b>84,638</b>	<b>62,421</b>	<b>65,208</b>
<b>Total Capital Expenditure - Vote</b>		<b>135,336</b>	<b>120,758</b>	<b>169,424</b>	<b>158,518</b>	<b>232,934</b>	<b>232,934</b>	<b>-</b>	<b>84,638</b>	<b>62,421</b>	<b>65,208</b>
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		<b>3,078</b>	<b>2,468</b>	<b>1,686</b>	<b>2,464</b>	<b>1,447</b>	<b>1,447</b>	<b>800</b>	<b>1,562</b>	<b>200</b>	<b>300</b>
Executive and council		2,040	1,188	281	1,291	581	581	157	1,562	200	300
Finance and administration		1,038	1,232	1,405	1,133	826	826	610	-	-	-
Internal audit		-	48	-	40	40	40	33	-	-	-
<b>Community and public safety</b>		<b>5,083</b>	<b>12,792</b>	<b>2,246</b>	<b>3,407</b>	<b>1,419</b>	<b>1,419</b>	<b>174</b>	<b>957</b>	<b>-</b>	<b>-</b>
Community and social services		1,667	570	162	-	164	164	53	-	-	-
Sport and recreation		749	9,592	1,334	2,307	1,151	1,151	13	957	-	-
Public safety		2,659	2,622	749	580	50	50	56	-	-	-
Housing		-	-	-	20	15	15	13	-	-	-
Health		7	9	-	500	39	39	38	-	-	-
<b>Economic and environmental services</b>		<b>16,952</b>	<b>17,663</b>	<b>36,363</b>	<b>44,862</b>	<b>51,385</b>	<b>51,385</b>	<b>55,576</b>	<b>10,753</b>	<b>-</b>	<b>21,226</b>
Planning and development		391	277	1,352	30	59	59	52	-	-	-
Road transport		16,561	17,385	35,010	44,832	51,327	51,327	55,524	10,753	-	21,226
Environmental protection		-	-	1	-	-	-	-	-	-	-
<b>Trading services</b>		<b>110,223</b>	<b>87,663</b>	<b>129,098</b>	<b>107,786</b>	<b>178,682</b>	<b>178,682</b>	<b>104,186</b>	<b>71,367</b>	<b>62,221</b>	<b>43,683</b>
Energy sources		1,852	558	-	12,834	10,971	10,971	9,404	20,659	7,862	7,650
Water management		23,316	26,548	42,762	42,458	101,034	101,034	62,519	11,573	8,418	6,689
Waste water management		82,857	57,199	83,670	51,919	66,677	66,677	32,263	35,834	45,941	29,335
Waste management		2,198	3,358	2,667	575	-	-	-	3,300	-	-
<b>Other</b>		<b>-</b>	<b>172</b>	<b>31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional</b>	3	<b>135,336</b>	<b>120,758</b>	<b>169,424</b>	<b>158,518</b>	<b>232,934</b>	<b>232,934</b>	<b>160,736</b>	<b>84,638</b>	<b>62,421</b>	<b>65,208</b>
<b>Funded by:</b>											
National Government		95,442	63,792	80,424	86,770	142,413	142,413	108,902	60,171	57,520	60,552
Provincial Government		23,415	41,951	75,337	58,586	77,358	77,358	41,069	174	-	-
District Municipality		2,556	2,085	55	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		1,730	1,390	1,284	1,489	1,489	1,489	1,389	1,385	-	-
<b>Transfers recognised - capital</b>	4	<b>123,143</b>	<b>109,219</b>	<b>157,100</b>	<b>146,845</b>	<b>221,260</b>	<b>221,260</b>	<b>151,360</b>	<b>61,730</b>	<b>57,520</b>	<b>60,552</b>
<b>Borrowing</b>	6	(2)	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		<b>12,243</b>	<b>11,003</b>	<b>11,155</b>	<b>11,673</b>	<b>11,673</b>	<b>11,673</b>	<b>9,375</b>	<b>22,908</b>	<b>4,901</b>	<b>4,656</b>
<b>Total Capital Funding</b>	7	<b>135,384</b>	<b>120,222</b>	<b>168,256</b>	<b>158,518</b>	<b>232,934</b>	<b>232,934</b>	<b>160,736</b>	<b>84,638</b>	<b>62,421</b>	<b>65,208</b>

- ❖ The capital expenditure for the 2026/2027 financial year has decreased by R148,296 million (64%) compared to adjusted budget, with a further projected decline of 26% in 2027/2028 due to a decrease of 72% in capital grant allocations in 2026/27. A modest increase of 4% is anticipated in 2028/2029. The municipality remains predominantly dependent on grant funding to finance its capital programme, while also utilising depreciation as an internal funding source, subject to affordability.
  
- ❖ Capital transfers have declined by 72% in 2026/27 and are forecast to decrease by a further 7% in 2027/28, before increasing by 5% in 2028/29. The budget makes provision only for grants that have been formally confirmed by the relevant funding authorities. However, should additional grants be received during the financial year, an adjustments budget will be tabled before Council to incorporate the projects to be funded through such allocations.

## 1.6.5 TABLE A6 BUDGETED FINANCIAL POSITION

EC105 Ndlambe - Table A6 Budgeted Financial Position

Description	###	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
<b>ASSETS</b>											
<b>Current assets</b>											
Cash and cash equivalents	1	67,235	139,523	66,691	80,272	32,230	32,230	44,280	44,518	82,086	127,461
Short term Investments	2	-	-	-	-	-	-	-	-	-	-
Trade and other receivables from exchange transactions	3	52,685	70,667	52,960	71,785	57,646	57,646	87,945	52,356	43,455	35,303
Receivables from non-exchange transactions	3	19,803	24,341	73,981	24,509	74,148	74,148	82,461	30,704	34,342	38,202
Current portion of non-current receivables	4	-	-	-	-	-	-	-	-	-	-
Inventory	5	1,185	1,439	2,909	2,148	8,568	8,568	3,199	19,974	23,398	27,697
VAT Receivable	6	125,991	137,397	168,068	137,397	168,068	168,068	194,761	168,068	168,068	168,068
Other current assets	7	740	1,519	409	1,519	409	409	84	409	409	409
<b>Total current assets</b>		<b>267,638</b>	<b>374,887</b>	<b>365,019</b>	<b>317,631</b>	<b>341,070</b>	<b>341,070</b>	<b>412,729</b>	<b>316,030</b>	<b>351,759</b>	<b>397,141</b>
<b>Non current assets</b>											
Investments	8	45	46	44	46	44	44	49	44	44	44
Investment property	9	248,071	242,891	232,149	241,717	230,975	230,975	228,565	227,947	224,920	221,892
Property, plant and equipment	10	1,185,146	1,254,346	1,406,813	1,362,996	1,590,468	1,590,468	1,532,326	1,627,392	1,634,845	1,641,224
Biological assets	11	-	-	-	-	-	-	-	-	-	-
Living resources	12	-	-	-	-	-	-	-	-	-	-
Heritage assets	13	0	0	0	0	(1,200)	(1,200)	(1,200)	0	0	0
Intangible assets	14	110	53	46	52	64	64	58	60	57	53
Trade and other receivables from exchange transactions	15	-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions	15	-	-	-	-	-	-	-	-	-	-
Other non-current assets	16	-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>1,433,371</b>	<b>1,497,336</b>	<b>1,639,052</b>	<b>1,604,811</b>	<b>1,820,351</b>	<b>1,820,351</b>	<b>1,759,799</b>	<b>1,855,444</b>	<b>1,859,866</b>	<b>1,863,213</b>
<b>TOTAL ASSETS</b>		<b>1,701,010</b>	<b>1,872,223</b>	<b>2,004,071</b>	<b>1,922,442</b>	<b>2,161,421</b>	<b>2,161,421</b>	<b>2,172,528</b>	<b>2,171,474</b>	<b>2,211,625</b>	<b>2,260,354</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	17	-	-	-	-	-	-	-	-	-	-
Financial liabilities	18	1,464	973	0	-	-	-	-	-	-	-
Consumer deposits	19	2,662	2,828	2,892	2,828	2,892	2,892	3,081	2,892	2,892	2,892
Trade and other payables from exchange transactions	20	73,757	91,469	101,852	94,398	98,888	98,888	67,280	130,654	136,506	142,961
Trade and other payables from non-exchange transactions	21	23,238	112,464	73,409	17,522	43,131	43,131	56,546	-	-	-
Provision	22	12,498	13,069	13,465	13,069	13,465	13,465	13,465	13,465	13,465	13,465
VAT Payable	23	130,840	154,266	165,203	159,579	170,516	170,516	191,476	160,124	154,716	148,957
Other current liabilities	24	3,648	4,967	4,158	4,967	4,158	4,158	4,158	2,930	2,930	2,930
<b>Total current liabilities</b>		<b>248,107</b>	<b>380,036</b>	<b>360,979</b>	<b>292,363</b>	<b>333,050</b>	<b>333,050</b>	<b>336,007</b>	<b>310,064</b>	<b>310,509</b>	<b>311,205</b>
<b>Non current liabilities</b>											
Financial liabilities	25	986	(0)	(0)	-	0	0	0	0	0	0
Provision	26	60,296	65,660	70,686	74,339	79,365	79,365	70,686	90,041	99,678	109,796
Long term portion of trade payables	27	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities	28	62,977	69,743	78,989	69,743	81,955	81,955	78,989	78,989	78,989	78,989
<b>Total non current liabilities</b>		<b>124,259</b>	<b>135,403</b>	<b>149,675</b>	<b>144,082</b>	<b>161,320</b>	<b>161,320</b>	<b>149,675</b>	<b>169,030</b>	<b>178,667</b>	<b>188,786</b>
<b>TOTAL LIABILITIES</b>		<b>372,367</b>	<b>515,439</b>	<b>510,654</b>	<b>436,444</b>	<b>494,370</b>	<b>494,370</b>	<b>485,682</b>	<b>479,094</b>	<b>489,176</b>	<b>499,991</b>
<b>NET ASSETS</b>		<b>1,328,643</b>	<b>1,356,784</b>	<b>1,493,417</b>	<b>1,485,998</b>	<b>1,667,052</b>	<b>1,667,052</b>	<b>1,686,846</b>	<b>1,692,380</b>	<b>1,722,450</b>	<b>1,760,363</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated surplus/(deficit)	29	1,328,643	1,356,784	1,493,977	1,485,998	1,667,052	1,667,052	1,698,245	1,692,380	1,722,450	1,760,363
Reserves and funds	30	-	-	-	-	-	-	-	-	-	-
Other	31	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	32	<b>1,328,643</b>	<b>1,356,784</b>	<b>1,493,977</b>	<b>1,485,998</b>	<b>1,667,052</b>	<b>1,667,052</b>	<b>1,698,245</b>	<b>1,692,380</b>	<b>1,722,450</b>	<b>1,760,363</b>

- Total community wealth/equity is projected to increase by R25,328 billion (2%) when compared to the 2025/26 Adjusted Budget and is forecasted to increase by a further 2% over the outer years of the MTREF.
- The positive movement in community wealth/equity is primarily attributable to the sustained growth in the municipality's net asset position, driven by continued investment in property, plant and equipment through the capital programme. The increase further reflects the municipality's strategy to strengthen financial sustainability through prudent fiscal management, improving revenue management initiatives, and the containment of operational expenditure within sustainable levels.
- In addition, the projected growth over the MTREF period is supported by the continued expansion and replacement of infrastructure assets and the anticipated improvement in the municipality's liquidity and solvency position. The moderate but steady increase in equity also indicates the municipality's ability to maintain service delivery obligations while progressively enhancing its long-term financial viability and asset base.

1.6.6 Table A7 Budgeted Cash Flows

EC105 Ndlambe - Table A7 Budgeted Cash Flows									
Description	###	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium T
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27
R thousand									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates		140,957	-	-	160,808	160,808	160,808	160,808	179,618
Service charges		158,470	-	-	241,574	251,953	251,953	251,953	253,589
Other revenue		61,383	-	-	72,236	62,211	82,261	82,261	51,014
Transfers and Subsidies - Operational	1	170,841	-	-	222,200	224,745	224,745	224,745	156,623
Transfers and Subsidies - Capital	1	138,630	127,763	-	111,682	218,393	218,393	218,393	70,990
Interest		7,567	-	-	16,174	16,174	16,174	16,174	13,871
Dividends		-	-	-	-	-	-	-	-
<b>Payments</b>									
Suppliers and employees		(631,605)	(610,615)	(648,470)	(694,599)	(714,051)	(714,051)	(714,051)	(609,497)
Finance charges		(417)	(222)	(147)	-	-	-	-	-
Transfers and Subsidies	1	(38,233)	-	-	(5,538)	(5,621)	(5,621)	(5,621)	(4,306)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>7,603</b>	<b>(483,075)</b>	<b>(648,617)</b>	<b>124,536</b>	<b>214,612</b>	<b>234,662</b>	<b>234,662</b>	<b>111,900</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE		95	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		2	1	(2)	-	-	-	-	-
Insurance Refund - Capital		-	-	-	-	-	-	-	105
Interest on Short Term Investment (Greater than 90 days) and Long Term Investments		-	-	-	-	-	-	-	-
<b>Payments</b>									
Capital assets		(159,159)	(124,714)	(175,744)	(173,938)	(260,344)	(260,344)	(260,344)	(94,012)
Retention (Capital)		-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(159,062)</b>	<b>(124,712)</b>	<b>(175,746)</b>	<b>(173,938)</b>	<b>(260,344)</b>	<b>(260,344)</b>	<b>(260,344)</b>	<b>(93,907)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans		-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		218	-	-	-	-	-	-	-
<b>Payments</b>									
Repayment of borrowing		(2,290)	(1,439)	(973)	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(2,072)</b>	<b>(1,439)</b>	<b>(973)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>									
Cash/cash equivalents at the year begin:	2	77,786	67,235	139,523	138,552	66,691	66,691	66,691	26,525
Cash/cash equivalents at the year end:	2	(75,745)	(541,990)	(685,813)	89,151	20,959	41,009	41,009	44,518

- Cash and cash equivalents are projected to increase by R3,509 million (9%) when compared to the 2025/26 Adjusted Budget. Over the outer years of the MTREF, cash balances are forecasted to increase at an average rate of 51%, primarily driven by sustained positive net cash flows generated from operating activities. Net cash inflows from operating activities are projected at R85,196 million in 2026/27, R84,564 million in 2027/28, and R95,206 million in 2028/29.
- The favourable cash position is mainly attributable to the anticipated sustainability of revenue collection levels, stable growth in operating revenue, and the continued implementation of prudent cash flow and liquidity management practices. The projected increase further demonstrates the municipality's ability to generate adequate cash from core operations to fund operational commitments and support capital investment programmes.
- Furthermore, the positive cash flow trend over the MTREF period reflects an improving liquidity position and enhanced short-term financial sustainability. This strengthens the municipality's capacity to meet its financial

obligations as they become due, maintain adequate working capital levels, and mitigate potential funding and operational risks arising from economic constraints and increasing service delivery demands.

## 1.6.7 Table A8 Cash backed reserves/accumulated surplus reconciliation.

EU105 Ndiambe - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	###	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited	Audited	Audited	Original	Adjusted	Full Year	Pre-audit	Budget Year	Budget Year +1	Budget Year +2
<b>R thousand</b>											
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	(75,745)	(541,990)	(685,813)	89,151	20,959	41,009	41,009	44,518	82,086	127,461
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-
Non current Investments	1	45	46	44	46	44	44	49	44	44	44
<b>Cash and investments available:</b>		<b>(75,700)</b>	<b>(541,944)</b>	<b>(685,769)</b>	<b>89,197</b>	<b>21,003</b>	<b>41,053</b>	<b>41,058</b>	<b>44,562</b>	<b>82,130</b>	<b>127,506</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		15,175	112,464	73,409	17,522	43,290	43,290	56,561	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	(13,579)	(6,957)	(8,054)	4,582	4,009	4,009	(1,538)	(6,738)	(5,317)	(3,779)
Other working capital requirements	3	(2,448)	91,469	101,852	(5,360)	(34,580)	(40,215)	(151,902)	54,295	64,994	75,403
Other provisions		16,146	18,036	17,623	18,036	17,623	17,623	(17,623)	13,465	13,465	13,465
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>15,294</b>	<b>215,012</b>	<b>184,830</b>	<b>34,780</b>	<b>30,341</b>	<b>24,706</b>	<b>(114,501)</b>	<b>61,022</b>	<b>73,142</b>	<b>85,089</b>
<b>Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits</b>		<b>(90,995)</b>	<b>(756,956)</b>	<b>(870,599)</b>	<b>54,417</b>	<b>(9,338)</b>	<b>16,347</b>	<b>155,559</b>	<b>(16,459)</b>	<b>8,988</b>	<b>42,416</b>
<b>Creditors transferred to Debt Relief - Non-Current portion</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits</b>		<b>(90,995)</b>	<b>(756,956)</b>	<b>(870,599)</b>	<b>54,417</b>	<b>(9,338)</b>	<b>16,347</b>	<b>155,559</b>	<b>(16,459)</b>	<b>8,988</b>	<b>42,416</b>

## 1.6.8 Table A9 Asset Management

ECU5 Ndlambe - Table A9 Asset Management

Description	###	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
<b>R thousand</b>										
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	66,880	31,311	66,181	102,870	157,369	157,369	44,279	41,359	33,241
Roads Infrastructure		-	252	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		1,852	-	527	12,334	10,971	10,971	5,994	1,500	7,650
Water Supply Infrastructure		9,041	9,431	26,458	35,810	90,810	90,810	750	-	-
Sanitation Infrastructure		43,985	11,773	32,699	47,000	47,671	47,671	28,400	39,659	25,291
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		10	42	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>54,888</b>	<b>21,498</b>	<b>59,684</b>	<b>95,144</b>	<b>149,451</b>	<b>149,451</b>	<b>35,144</b>	<b>41,159</b>	<b>32,941</b>
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	700	57	57	-	-	-
<b>Community Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>700</b>	<b>57</b>	<b>57</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Heritage Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		1,452	-	-	-	26	26	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		<b>1,452</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Computer Equipment</b>		<b>1,653</b>	<b>1,135</b>	<b>1,146</b>	<b>530</b>	<b>480</b>	<b>480</b>	<b>150</b>	<b>200</b>	<b>300</b>
Furniture and Office Equipment		659	1,085	191	564	374	374	-	-	-
Machinery and Equipment		1,142	359	66	1,182	149	149	174	-	-
<b>Transport Assets</b>		<b>7,086</b>	<b>7,235</b>	<b>5,094</b>	<b>4,750</b>	<b>6,833</b>	<b>6,833</b>	<b>8,812</b>	<b>-</b>	<b>-</b>
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Renewal of Existing Assets</b>	2	65	38	1,474	1,785	2,939	2,939	2,510	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		30	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	998	-	1,900	1,900	2,510	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>30</b>	<b>-</b>	<b>998</b>	<b>-</b>	<b>1,900</b>	<b>1,900</b>	<b>2,510</b>	<b>-</b>	<b>-</b>
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	476	1,785	1,039	1,039	-	-	-
<b>Community Assets</b>		<b>-</b>	<b>-</b>	<b>476</b>	<b>1,785</b>	<b>1,039</b>	<b>1,039</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Heritage Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Computer Equipment</b>		<b>35</b>	<b>38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>Total Upgrading of Existing Assets</b>	6	<b>68,390</b>	<b>89,409</b>	<b>101,769</b>	<b>53,864</b>	<b>72,626</b>	<b>72,626</b>	<b>37,849</b>	<b>21,062</b>	<b>31,968</b>
Roads Infrastructure		15,832	17,017	34,150	44,567	50,660	50,660	10,753	-	21,226
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	14,665	6,362	-
Water Supply Infrastructure		14,073	17,104	15,305	4,348	2,590	2,590	6,513	8,418	6,699
Sanitation Infrastructure		37,731	45,400	50,972	4,919	19,007	19,007	5,135	6,282	4,044
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>67,635</b>	<b>79,522</b>	<b>100,427</b>	<b>53,834</b>	<b>72,257</b>	<b>72,257</b>	<b>37,066</b>	<b>21,062</b>	<b>31,968</b>
Community Facilities		281	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		204	9,186	859	-	-	-	783	-	-
<b>Community Assets</b>		<b>485</b>	<b>9,186</b>	<b>859</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>783</b>	<b>-</b>	<b>-</b>
<b>Heritage Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		270	702	484	30	369	369	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		<b>270</b>	<b>702</b>	<b>484</b>	<b>30</b>	<b>369</b>	<b>369</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Computer Equipment</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Furniture and Office Equipment</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Machinery and Equipment</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transport Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Land</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Zoo's, Marine and Non-biological Animals</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>Total Capital Expenditure</b>	4	<b>135,336</b>	<b>120,758</b>	<b>169,424</b>	<b>158,518</b>	<b>232,934</b>	<b>232,934</b>	<b>84,638</b>	<b>62,421</b>	<b>65,208</b>
Roads Infrastructure		15,832	17,269	34,150	44,567	50,660	50,660	10,753	-	21,226
Storm water Infrastructure		30	-	-	-	-	-	-	-	-
Electrical Infrastructure		1,852	-	527	12,334	10,971	10,971	20,659	7,862	7,650
Water Supply Infrastructure		23,114	26,535	42,762	40,158	95,300	95,300	9,773	8,418	6,699
Sanitation Infrastructure		81,716	57,173	83,670	51,919	66,677	66,677	33,534	45,941	29,335
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		10	42	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>122,553</b>	<b>101,019</b>	<b>161,109</b>	<b>148,977</b>	<b>223,608</b>	<b>223,608</b>	<b>74,720</b>	<b>62,221</b>	<b>64,908</b>
Community Facilities		281	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		204	9,186	1,334	2,485	1,096	1,096	783	-	-
<b>Community Assets</b>		<b>485</b>	<b>9,186</b>	<b>1,334</b>	<b>2,485</b>	<b>1,096</b>	<b>1,096</b>	<b>783</b>	<b>-</b>	<b>-</b>
<b>Heritage Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		1,722	702	484	30	395	395	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		<b>1,722</b>	<b>702</b>	<b>484</b>	<b>30</b>	<b>395</b>	<b>395</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Computer Equipment</b>		<b>1,689</b>	<b>1,173</b>	<b>1,146</b>	<b>530</b>	<b>480</b>	<b>480</b>	<b>150</b>	<b>200</b>	<b>300</b>
<b>Furniture and Office Equipment</b>		<b>659</b>	<b>1,085</b>	<b>191</b>	<b>564</b>	<b>374</b>	<b>374</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Machinery and Equipment</b>		<b>1,142</b>	<b>359</b>	<b>66</b>	<b>1,182</b>	<b>149</b>	<b>149</b>	<b>174</b>	<b>-</b>	<b>-</b>
<b>Transport Assets</b>		<b>7,086</b>	<b>7,235</b>	<b>5,094</b>	<b>4,750</b>	<b>6,833</b>	<b>6,833</b>	<b>8,812</b>	<b>-</b>	<b>-</b>
<b>Land</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Zoo's, Marine and Non-biological Animals</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		<b>135,336</b>	<b>120,758</b>	<b>169,424</b>	<b>158,518</b>	<b>232,934</b>	<b>232,934</b>	<b>84,638</b>	<b>62,421</b>	<b>65,208</b>

<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	1,260,630	1,178,773	1,303,338	1,201,299	1,262,478	1,262,478	1,241,833	1,188,735	1,131,529
<i>Roads Infrastructure</i>		320,802	320,859	354,106	310,925	340,810	340,810	348,363	331,834	315,017
<i>Storm water Infrastructure</i>		56	56	485	55	484	484	451	418	385
<i>Electrical Infrastructure</i>		108,337	104,112	106,076	102,064	102,665	102,665	100,761	97,657	90,984
<i>Water Supply Infrastructure</i>		218,782	206,481	210,023	193,030	198,674	198,674	189,630	179,909	169,731
<i>Sanitation Infrastructure</i>		147,334	139,482	169,698	132,442	162,659	162,659	155,346	146,006	136,955
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>795,310</b>	<b>770,990</b>	<b>840,388</b>	<b>738,516</b>	<b>805,293</b>	<b>805,293</b>	<b>794,551</b>	<b>755,824</b>	<b>713,073</b>
<b>Community Assets</b>		111,579	125,601	134,046	122,277	130,722	130,722	129,947	129,163	128,368
<b>Heritage Assets</b>		0	0	0	0	(1,200)	(1,200)	0	0	0
<b>Investment properties</b>		248,071	242,891	232,149	241,717	230,975	230,975	227,947	224,920	221,892
<b>Other Assets</b>		3,906	(65,441)	(7,741)	(7,835)	(10,446)	(10,446)	(16,183)	(20,723)	(25,266)
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		110	53	46	52	64	64	60	57	53
<b>Computer Equipment</b>		3,484	3,920	4,211	3,466	3,687	3,687	2,436	1,742	1,147
<b>Furniture and Office Equipment</b>		2,263	2,800	2,402	2,761	2,173	2,173	(1,036)	(1,565)	(2,096)
<b>Machinery and Equipment</b>		(10,915)	(10,874)	(11,548)	(10,145)	(11,853)	(11,853)	(12,157)	(12,635)	(13,114)
<b>Transport Assets</b>		23,841	25,802	26,604	27,459	30,282	30,282	33,485	29,172	24,691
<b>Land</b>		82,983	83,031	82,781	83,031	82,781	82,781	82,781	82,781	82,781
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	<b>1,260,630</b>	<b>1,178,773</b>	<b>1,303,338</b>	<b>1,201,299</b>	<b>1,262,478</b>	<b>1,262,478</b>	<b>1,241,833</b>	<b>1,188,735</b>	<b>1,131,529</b>
<b>EXPENDITURE OTHER ITEMS</b>		<b>74,347</b>	<b>76,272</b>	<b>79,173</b>	<b>94,210</b>	<b>99,342</b>	<b>99,342</b>	<b>120,202</b>	<b>127,174</b>	<b>135,113</b>
<b>Depreciation</b>	7	48,972	43,683	43,907	42,648	42,648	42,648	49,900	51,397	55,548
<b>Repairs and Maintenance by Asset Class</b>	3	<b>25,376</b>	<b>32,589</b>	<b>35,266</b>	<b>51,562</b>	<b>56,694</b>	<b>56,694</b>	<b>70,301</b>	<b>75,776</b>	<b>79,565</b>
<i>Roads Infrastructure</i>		236	436	6,127	6,200	6,530	6,530	5,953	7,527	7,904
<i>Storm water Infrastructure</i>		852	1,047	854	1,400	1,200	1,200	2,616	2,727	2,863
<i>Electrical Infrastructure</i>		-	-	-	3,276	3,276	3,276	-	-	-
<i>Water Supply Infrastructure</i>		7,548	11,297	12,489	17,812	24,366	24,366	40,734	43,438	45,608
<i>Sanitation Infrastructure</i>		1,131	1,126	840	3,450	3,180	3,180	1,900	2,033	2,134
<i>Solid Waste Infrastructure</i>		4,447	5,936	6,356	8,725	7,875	7,875	7,480	7,854	8,247
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>14,214</b>	<b>19,841</b>	<b>26,667</b>	<b>40,863</b>	<b>46,427</b>	<b>46,427</b>	<b>58,682</b>	<b>63,578</b>	<b>66,755</b>
<b>Community Facilities</b>		(114)	-	45	60	60	60	235	247	259
<b>Sport and Recreation Facilities</b>		-	162	232	300	300	300	170	179	187
<b>Community Assets</b>		<b>(114)</b>	<b>162</b>	<b>277</b>	<b>360</b>	<b>360</b>	<b>360</b>	<b>405</b>	<b>425</b>	<b>447</b>
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
<b>Revenue Generating</b>		148	51	-	70	70	70	-	-	-
<b>Non-revenue Generating</b>		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>148</b>	<b>51</b>	<b>-</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operational Buildings</b>		4,840	4,480	3,801	4,898	4,815	4,815	2,793	2,932	3,079
<b>Housing</b>		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		<b>4,840</b>	<b>4,480</b>	<b>3,801</b>	<b>4,898</b>	<b>4,815</b>	<b>4,815</b>	<b>2,793</b>	<b>2,932</b>	<b>3,079</b>
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
<b>Servitudes</b>		-	-	-	-	-	-	-	-	-
<b>Licences and Rights</b>		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		14	30	10	103	101	101	10	11	11
<b>Furniture and Office Equipment</b>		44	112	30	467	235	235	50	53	55
<b>Machinery and Equipment</b>		2,692	3,599	2,067	932	774	774	5,111	5,364	5,635
<b>Transport Assets</b>		3,538	4,315	2,414	3,870	3,913	3,913	3,251	3,413	3,584
<b>Land</b>		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
<b>Mature</b>		-	-	-	-	-	-	-	-	-
<b>Immature</b>		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>74,347</b>	<b>76,272</b>	<b>79,173</b>	<b>94,210</b>	<b>99,342</b>	<b>99,342</b>	<b>120,202</b>	<b>127,174</b>	<b>135,113</b>
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		50.6%	74.1%	60.9%	35.1%	32.4%	32.4%	46.5%	33.7%	49.0%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		139.8%	204.8%	235.1%	130.5%	177.2%	177.2%	77.2%	41.0%	57.5%
<i>R&amp;M as a % of PPE &amp; Investment Property</i>		2.0%	2.8%	2.7%	4.3%	4.5%	4.5%	5.7%	6.4%	7.0%
<i>Renewal and upgrading and R&amp;M as a % of PPE and Investment Property</i>		7.4%	10.4%	10.6%	8.9%	10.5%	10.5%	8.8%	8.1%	9.9%

The total asset register summary projection for 2026/27 is R1,241,833 billion decreased by R20,645 million or 2% due to increase in depreciation and the decrease in asset acquisitions for 2026/27 financial year. Repairs and maintenance are projected to R70,301 million for 2026/27. The breakdown below relates service delivery for infrastructure maintenance totalling to R58,682 million :

- Roads infrastructure is allocated R5.953 million for patching of potholes.

- Stormwater infrastructure is allocated R2,616 million for clearing of stormwater channels and grass on paved roads.
- Water supply infrastructure is allocated R40,734 million for maintenance of reverse osmosis plants and pipe work on pumpstations and boreholes.
- Sanitation infrastructure is allocated R1.9 million for wastewater treatment pipe works.
- Solid waste is allocated R7, 480 million for maintenance of landfill sites

## PART 2 SUPPORTING DOCUMENTATION

### 1.1 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 Chief Financial officer and senior officials of the municipality meeting under the chairpersonship of the Portfolio Councillor.

The primary aims 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, considering 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.

In the 2027 budget process, the Municipality reaffirmed a fundamentals-based approach by ensuring that the Integrated Development Plan (IDP) remains the primary driver of budget formulation, thereby safeguarding the alignment between strategic priorities and resource allocation and preventing any compromise to IDP objectives

The table below is the extract of budget timetable for 2026/27 budget process approved by Ndlambe council on the 29 August 2025.

### BUDGET TIMETABLE FOR THE 2026/2027 FINANCIAL YEAR

TIME SCHEDULE OF KEY DEADLINES				
Mayor to Table in Council 10 Months Prior to Start of Budget Year 2026/2027				
Date	Mayor and Council		Administration - Municipality	Evidence
<b>30 July 2025</b>	Mayor begins planning for next three-year budget in accordance with co-ordination role of budget process <b>MFMA s 53</b>  Planning includes review of the previous year's budget process and completion of the Budget Evaluation Checklist	<b>30 July 2025</b>	Accounting officers and senior officials of municipality and entities begin planning for next three-year budget <b>MFMA s 68, 77</b>  Accounting officers and senior officials of municipality review options and contracts for service delivery <b>MSA s 76-81</b>	Budget evaluation checklist/ Contracts performance report
<b>29 August 2025</b>	Mayor tables in Council a time schedule outlining key deadlines for: preparing, tabling and approving the budget; reviewing the IDP (as per s 34 of MSA) and budget related policies and consultation processes at least 10 months before the start of the budget year. <b>MFMA s 21,22, 23;</b> <b>MSA s 34, Ch 4 as amended</b> Mayor establishes committees and consultation forums for the budget process	<b>08 August 2025</b>	IDP and Finance to prepare the schedule of key deadlines and align the IDP and Budget process.	Attendance register/ Council resolutions
<b>15 September 2025 to 10 October 2025</b>	Council through the IDP review process determines strategic objectives for service delivery and development for next three-year budgets including review of provincial and national government sector and strategic plans	<b>1<sup>st</sup>-20 October 2025</b>	Budget office to set parameters for the next 3 years based on marked trends and other information available. <ul style="list-style-type: none"> <li>• Tariff increases</li> <li>• Salary increases</li> <li>• General expenses</li> </ul>	Next three Budget parameters and revenue projections/funding envelopes

			<ul style="list-style-type: none"> <li>Repairs and maintenance</li> <li>Key changes to be reflected considering all strategies and studies (including institutional study)</li> <li>Developed priority areas</li> <li>Grant allocations</li> </ul> <p>Reflect on all factors that could potentially impact on future budgets.</p>	
21 October 2025	Budget Steering Committee to consider budget parameters for the next three years and national plans	31 October 2025	<p>Accounting officer does initial reviews of national policies and budget plans and potential price increases of bulk resources with function and department officials</p> <p><b>MFMA s 35, 36, 42; MTBPS</b></p> <p>Municipalities receive inputs from National and Provincial Government and other bodies on factors influencing the budget – reference to legislation.</p>	<p>Budget Steering Minutes and attendance register.</p> <p>National Adjusted budget25/26</p>
		<p>12-20 October 2025</p> <p>24 October 2025</p> <p>27-29 October 2025</p> <p>30 October to 6 November 2025</p>	<p>Accounting officer reviews and finalises initial changes to IDP</p> <p><b>MSA s 34</b></p> <p>A working session for the IDP Manager and directorates to complete the project template.</p> <p>IDP manager captures projects to strategic objectives and Key performance indicators (KPIs) in the financial system to create IDP data strings.</p> <p>Budget Offices and directorates are to breakdown IDP projects into activities(items) and to align activities(items) to the other mScoa segments(Function, Funding, Region &amp; Costing) to allocate budget for the next three years. complete the relevant capital request forms as provided by the Budget and Treasury with all required information and to provide a summary of capital requirements for the next three financial years.</p> <p>Budget and Treasury to workshop the directorates on how to complete the budget template.</p> <p>Managers and directors assess the Human Resources component (organogram) of their operating budget for the next year and for the two following years and make submissions to the human resources department.</p> <p>The submission on all offices and directorates human resources requirements to be considered by the Municipal Manager which then must be submitted to the LLF by HR department</p> <p>The budget and treasury office will assist directorates where required in determining budget figures for:</p> <p>Insurance Depreciation Provision for bad debts</p>	<p>IDP Projects Extracts compile Budget templates for circulations</p> <p>Final Budget Templates</p> <p>Attendance registers</p> <p>Revised organogram with new proposed positions with motivations</p> <p>Minutes of the management and LLF meeting</p> <p>Schedule of depreciation, insurance premium and debt impairment for the next three years.</p>

<p><b>30 November 2025</b></p>	<p>Council finalizes tariff (rates and service charges) policies for next financial year <b>MSA s 74, 75</b></p>	<p><b>5 December 2025</b></p>	<p>Accounting officer and senior officials consolidate and prepare proposed budget and plans for next financial year taking into account previous year's performance as per audited financial statements</p> <p>Revenue and Budget Office to review tariffs and charges and ensure that all costs of trading and economic services are covered by the tariff submitted by offices and directorates.</p> <p>Budget office to advise the Mayor, chairperson of the budget steering committee, CFO and Municipal Manager, in writing, of any office or directorate that has not submitted all budget related documentation to the finance directorate by the stipulated date.</p>	<p>Three-year budget plans submissions</p> <p>Cost reflective tariffs tool</p> <p>Email to the Mayor/Chairperson of the budget steering committee , CFO and MM</p>
<p><b>30 January 2026</b></p>	<p>Mayor tables the special adjustment budget for the unauthorized expenditure incurred in the previous together with the annual report in respect of <b>MFMA s172 (2)</b> <b>MFMA s 32(2) (a)(i)</b>,</p> <p>Mayor must table the mid-year performance assessment report to Council for noting</p>	<p><b>8-19 January 2026</b></p> <p><b>20 January 2026</b></p> <p><b>23 January 2026</b></p> <p><b>25 January 2026</b></p>	<p>Budget Office to compile mid-year performance assessments <b>MFMA s 72</b></p> <p>Chief Financial Officer and Budget manger reviews proposed national and provincial allocations to municipality for incorporation into the final budget for tabling. (Proposed national and provincial allocations for three years must be available by 20 January) <b>MFMA s 36</b></p> <p>Submission of the mid-year assessment report to Audit performance Committee (APC) for reviews</p> <p>Budget Steering committee meeting report -mid-year assessment report and next three years budget progress report</p> <p>Municipal Manager to submit mid-year performance assessment report to the Mayor, National Treasury and relevant Provincial Treasury <b>MFMA s 72 (b)</b></p> <p>Chief financial offices and budget office to compile adjustment budget for the previous year unauthorized expenditure to table to Council <b>MFMA s 32</b></p>	<p>Mid-year performance assessment report</p> <p>Division of revenue Bill for 2024/2025 MTREF</p> <p>Minutes and review comments</p> <p>Attendance registers and minutes</p> <p>Proof of submission to the Mayor</p> <p>2024 Schedule B document/ proposed resolutions</p> <p>2024 Schedule B document/Council resolution</p> <p>Council Resolution</p>
<p><b>28 February 2026</b></p>	<p>Mayor tables the mid-year adjustment budget to Council <b>MFMA s 28</b></p>	<p><b>26 Jan 2026-13 February 2026</b></p> <p><b>11 February 2026</b></p> <p><b>19 February 2026</b></p>	<p>Accounting officer incorporates mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report.</p> <p>Compilation of midyear adjustment budget by directorates</p> <p>Accounting officer to notify relevant municipalities of projected allocations for next three budget years 120 days prior to start of budget year <b>MFMA s 37(2)</b></p> <p>Mid-year Budget Performance engagements with Provincial Treasury</p> <p>Budget Steering Committee- midyear adjustment budget</p>	<p>2025 B Schedule</p> <p>Proof of adjustment budget submission</p> <p>Correspondence</p> <p>Presentation slides/attendance register/PT assessment feedback report</p> <p>Attendance register/ Minutes</p> <p>2026 B Schedule document/mid-year adjustment council resolution</p>

<p><b>27 March 2026</b></p>	<p>Mayor tables municipality budget, resolutions, plans, and proposed revisions to IDP at least 90 days before start of budget year <b>MFMA s 16, 22, 23, 87; MSA s 34</b></p>	<p><b>6 March 2026</b></p> <p><b>9 March 2026</b></p> <p><b>12 March 2026</b></p> <p><b>15 March 2026</b></p> <p><b>27-31 March 2026</b></p>	<p>Budget and Treasury finalize the final budget consolidation and reconcile Mscoa <b>new version (6.10)</b> changes</p> <p>Final reconciliation of the IDP/Budget/ final SDBIP for the next three years</p> <p>Budget steering committee meeting- Final budget for the next three years</p> <p>Accounting officer reviews any changes in prices for bulk resources as communicated by 15 March <b>MFMA s 42</b></p> <p>Uploads mSCOA data strings IDP/Tabled Budget 2027</p> <p>Accounting officer publishes tabled budget, plans, and proposed revisions to IDP, invites local community comment and submits to NT, PT and others as prescribed <b>MFMA s 22 &amp; 37; MSA Ch 4 as amended</b></p>	<p>Final budget data strings</p> <p>IDP /Budget Reconciliation <b>Table A6,A7</b></p> <p>Attendance register and minutes</p> <p>Correspondences/ Eskom/Budget circular</p> <p>Council resolution</p> <p>NT upload validation/upload report</p> <p>Proof of publication</p>
<p><b>By end of April 2025</b></p>	<p>Consultation with national and provincial treasuries and finalise sector plans for water, sanitation, electricity etc <b>MFMA s 21</b></p>	<p><b>9 -30 April 2026I</b></p> <p><b>16 April 2026</b></p> <p><b>23 April 2026</b></p> <p><b>30 April 2026</b></p>	<p>Final budget document open for consultation for comments</p> <p>Final Budget/Benchmark Engagement with Provincial Treasury</p> <p>APC to make comments on the final IDP/ Budget/SDBIP</p> <p>Budget office assists the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year.</p>	<p>Correspondence</p> <p>Final budget Public comments</p> <p>Presentation slides/Attendance register/PT final budget assessment report</p> <p>APC review comments</p> <p>Revised budget extract</p>
<p><b>8 May 2026</b></p> <p><b>29 May 2026</b></p>	<p>Public hearings on the budget, and council debate. Council consider views of the local community, NT, PT, other provincial and national organs of state and municipalities. Mayor to be provided with an opportunity to respond to submissions during consultation and table amendments for council consideration. Council to consider approval of budget and plans at least 30 days before start of budget year. <b>MFMA s 23, 24; MSA Ch 4 as amended</b></p> <p>Mayor tables the annual budget for the next three years <b>MFMA s 16, 24, 26, 53</b></p> <p>Council must approve annual budget by resolution, setting taxes and tariffs, approving changes to IDP and budget related policies, approving measurable performance objectives for revenue by source and expenditure by vote before start of budget year <b>MFMA s 16, 24, 26</b></p>	<p><b>12 May 2026</b></p> <p><b>22 May 2026</b></p>	<p>Final reconciliation of the IDP/Budget/ final SDBIP for the next three years considering public comments</p> <p>Budget office assists the Mayor in preparing the final budget documentation for consideration for approval at least 30 days before the start of the budget year taking into account consultative processes and any other new information of a material nature</p> <p>Budget steering Committee meeting- Final A Schedule</p>	<p>Public comments, attendance registers</p> <p>IDP /Budget Reconciliation <b>Table A6,A7</b></p> <p>Revised A schedule documents</p> <p>Attendance register/Minutes</p> <p>Council resolution</p>

28 June 2026	Mayor must approve SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded in accordance with s 57(2) of the MSA. Mayor to ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The mayor submits the approved SDBIP and performance agreements to council, MEC for local government and makes public within 14 days after approval. <b>MFMA s 53; MSA s 38-45, 57(2)</b>	10 June 2026	PMS finalise the SDBIP for submission to the Mayor	Final SDBIP
		12 June 2026	Accounting officer submits to the mayor no later than 14 days after approval of the budget a final of the SDBIP and annual performance agreements required by s 57(1)(b) of the MSA. <b>MFMA s 69; MSA s 57</b>	Proof of submission
	Council must finalise a system of delegations. <b>MFMA s 59, 79, 82; MSA s 59-65</b>	29 June 2026	Accounting officers of municipality publishes adopted budget and plans <b>MFMA s 75, 87</b>	Mayor's approval  Proof of publication

<p>Abbreviations: <b>IDP</b> - Integrated Development Plan; <b>MFMA</b> - Local Government: Municipal Finance Management Act, No. 56 of 2003; <b>MSA</b> - Local Government: Municipal Systems Act, No. 32 of 2000, as amended; <b>MTBPS</b> - National Treasury annual publication, Medium Term Budget and Policy Statement; <b>NT</b> - National Treasury; <b>PT</b> - Provincial Treasuries; <b>SDBIP</b> - Service Delivery and Budget Implementation Plan</p>	
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## 1.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH THE INTEGRATED DEVELOPMENT PLAN

Directorates aligned all operating and capital expenditure to the goals and actions as set out in the Integrated Development Plan. On the capital budget, the operating budget and the service delivery budget implementation plan directors have provided IDP numbers where it is possible to highlight the linkages. The budget is linked to the following main strategic goals and objectives as per the Integrated Development Plan. The table below is filtered on capital expenditure for 2027 MTREF however the details can be perused in the IDP chapter 7.

Strategic Objectives	Sub objectives	2027 Final Budget	2028 Final Budget	2029 Final Budget
<b>Electricity: Electricity Administration (102045)</b>	<b>Electricity: Electricity Administration (102045)</b>	<b>2,500,000.00</b>	<b>1,500,000.00</b>	<b>1,000,000.00</b>
Construct and Upgrade reliable infrastructure to attract and enable investment	Construct and upgrade of Electrical Infrastructure	2,500,000.00	1,500,000.00	1,000,000.00
<b>Electricity: Electricity Distribution HT (102049)</b>	<b>Electricity: Electricity Distribution HT (102049)</b>	<b>4,144,401.00</b>	<b>6,361,739.00</b>	<b>6,649,565.00</b>
Construct and Upgrade reliable, infrastructure to attract and enable investment	Construct and upgrade of Electrical Infrastructure	1,894,000.00	-	-
Construct and Upgrade reliable infrastructure to attract and enable investment	Construct and upgrade of Electrical Infrastructure	-	6,361,739.00	-
Construct and Upgrade reliable infrastructure to attract and enable investment	Construct and upgrade of Electrical Infrastructure	-	-	6,649,565.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade of Electrical Infrastructure	640,119.00	-	-
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade of Electrical Infrastructure	805,141.00	-	-
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade of Electrical Infrastructure	805,141.00	-	-
<b>Electricity: Electricity Substation (102052)</b>	<b>Electricity: Electricity Substation (102052)</b>	<b>14,015,078.00</b>	<b>-</b>	<b>-</b>
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade of Electrical Infrastructure	276,817.00	-	-
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade of Electrical Infrastructure	13,738,261.00	-	-

<b>Mayor and Council: Council General (013010)</b>	<b>Mayor and Council: Council General (013010)</b>	<b>711,630.00</b>	-	-
Strengthen institutional capacity and corporate support services to enable delivery on Ndlambe Top 4 development priorities	Ensure Council and committees fast-track decisions that enable Top 4 projects	711,630.00	-	-
<b>Mayor and Council: Office of the Speaker (013014)</b>	<b>Mayor and Council: Office of the Speaker (013014)</b>	<b>700,000.00</b>	-	-
Strengthen institutional capacity and corporate support services to enable delivery on Ndlambe Top 4 development priorities	Ensure Council and committees fast-track decisions that enable Top 4 projects	700,000.00	-	-
<b>Municipal Manager Town Secretary and Chief Executive: Information Technology (011506)</b>	<b>Municipal Manager Town Secretary and Chief Executive: Information Technology (011506)</b>	<b>150,000.00</b>	<b>200,000.00</b>	<b>300,000.00</b>
Strengthen ICT systems and digital service delivery	Maintain ICT systems, data security, and digital tools to support service delivery	150,000.00	200,000.00	300,000.00
<b>Roads: Roads and general works(012020)</b>	<b>Roads: Roads and general works(012020)</b>	<b>10,752,978.00</b>	-	<b>21,225,522.00</b>
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade municipal road networks (gravel and tar)	6,599,130.00	-	-
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade municipal road networks (gravel and tar)	1,385,217.00	-	-
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade municipal road networks (gravel and tar)	2,768,631.00	-	-
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade municipal road networks (gravel and tar)	-	-	21,225,522.00
<b>Sewerage: Sanitation (011010)</b>	<b>Sewerage: Sanitation (011010)</b>	<b>2,300,000.00</b>	-	-
Ensure reliable, well-maintained infrastructure to attract and enable investment	Maintenance of water and sanitation service infrastructure	2,300,000.00	-	-
<b>Sewerage: Sewerage (012025)</b>	<b>Sewerage: Sewerage (012025)</b>	<b>33,534,413.00</b>	<b>45,941,174.00</b>	<b>29,334,538.00</b>

Ensure reliable, well-maintained infrastructure to attract and enable investment –	Maintenance of water and sanitation service infrastructure	5,134,761.00	6,282,472.00	4,043,557.00
Ensure reliable, well-maintained infrastructure to attract and enable investment –	Maintenance of water and sanitation service infrastructure	3,478,261.00	5,535,789.00	7,865,018.00
Ensure reliable, well-maintained infrastructure to attract and enable investment –	Maintenance of water and sanitation service infrastructure	4,430,457.00	-	-
Ensure reliable, well-maintained infrastructure to attract and enable investment –	Maintenance of water and sanitation service infrastructure	4,347,826.00	5,790,435.00	7,860,746.00
Ensure reliable, well-maintained infrastructure to attract and enable investment –	Maintenance of water and sanitation service infrastructure	16,143,108.00	28,332,478.00	9,565,217.00
<b>Solid Waste Removal: Refuse Disposal (011035)</b>	<b>Solid Waste Removal: Refuse Disposal (011035)</b>	<b>3,300,000.00</b>	-	-
Ensure safe, healthy, and resilient communities through effective protection, compliance, and community services	Ensure consistent removal and public cleansing in all wards	3,300,000.00	-	-
<b>Sports Grounds and Stadiums: Sports ground and Stadiums(011057)</b>	<b>Sports Grounds and Stadiums: Sports ground and Stadiums(011057)</b>	<b>782,609.00</b>	-	-
Ensure safe, healthy, and resilient communities through effective protection, compliance, and community services		782,609.00	-	-
<b>Water Distribution: Water Administration (152055)</b>	<b>Water Distribution: Water Administration (152055)</b>	<b>2,550,000.00</b>	-	-
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	1,800,000.00	-	-
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	250,000.00	-	-
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	500,000.00	-	-
<b>Water Distribution: Water Reticulation (152061)</b>	<b>Water Distribution: Water Reticulation (152061)</b>	<b>5,257,826.00</b>	<b>5,217,391.00</b>	<b>3,342,853.00</b>

Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	910,000.00	-	-
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	4,347,826.00	5,217,391.00	3,342,853.00
<b>Water Storage: Water Reservoirs (152060)</b>	<b>Water Storage: Water Reservoirs (152060)</b>	-	<b>735,000.00</b>	<b>771,750.00</b>
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	50,000.00	52,500.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	40,000.00	42,000.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	75,000.00	78,750.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	55,000.00	57,750.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	75,000.00	78,750.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	60,000.00	63,000.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	50,000.00	52,500.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	40,000.00	42,000.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	55,000.00	57,750.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	40,000.00	42,000.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	45,000.00	47,250.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	45,000.00	47,250.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	50,000.00	52,500.00

Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	55,000.00	57,750.00
<b>Water Storage: Water Sarel Hayward Dam (152063)</b>	<b>Water Storage: Water Sarel Hayward Dam (152063)</b>	<b>600,000.00</b>	<b>567,500.00</b>	<b>590,875.00</b>
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	100,000.00	105,000.00	110,250.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	100,000.00	105,000.00	110,250.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	50,000.00	52,500.00	55,125.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	100,000.00	105,000.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	250,000.00	100,000.00	100,000.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	100,000.00	105,000.00	110,250.00
<b>Water Treatment: Water Purification (152059)</b>	<b>Water Treatment: Water Purification</b>	<b>3,165,000.00</b>	<b>1,898,250.00</b>	<b>1,993,163.00</b>
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	1,600,000.00	-	-
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	30,000.00	31,500.00	33,075.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	80,000.00	84,000.00	88,200.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	100,000.00	105,000.00	110,250.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	80,000.00	84,000.00	88,200.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	200,000.00	210,000.00	220,500.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	40,000.00	42,000.00

Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	15,000.00	15,750.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	150,000.00	157,500.00	165,375.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	40,000.00	42,000.00	44,100.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	45,000.00	47,250.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	40,000.00	42,000.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	30,000.00	31,500.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	150,000.00	157,500.00	165,375.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	40,000.00	42,000.00	44,100.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	20,000.00	21,000.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	20,000.00	21,000.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	60,000.00	63,000.00	66,150.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	250,000.00	262,500.00	275,625.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	80,000.00	84,000.00	88,200.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	80,000.00	84,000.00	88,200.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	25,000.00	26,250.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	150,000.00	157,500.00	165,375.00

Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	75,000.00	78,750.00	82,688.00
Construct and Upgrade reliable, infrastructure to attract and enable investment -	Construct and upgrade water and sanitation service infrastructure	-	20,000.00	21,000.00
		<b>84,463,935.00</b>	<b>62,421,054.00</b>	<b>65,208,266.00</b>

### 1.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

The measurable performance objectives used to the budget for 2026/27 MTREF are extracted from the IDP.

KPA	Strategic Objective Description	Strategic Objective Code	Performance Objective Cost Centre	Performance Objective Code
2 Service delivery	Ensure reliable, well-maintained infrastructure to attract and enable investment – <b>Maintain Infra</b>	000T1	<b>Maintenance</b> of municipal road networks (gravel and tar)	RMAIN Operational
2 Service delivery	Ensure reliable, well-maintained infrastructure to attract and enable investment – <b>Maintain Infra</b>	000T1	<b>Maintain</b> and clear <b>stormwater</b> infrastructure ahead of rainy season	SMAIN Operational
2 Service delivery	Ensure reliable, well-maintained infrastructure to attract and enable investment – <b>Maintain Infra</b>	000T1	<b>Maintenance</b> of <b>water and sanitation</b> service infrastructure	WMAIN Operational
2 Service delivery	Ensure reliable, well-maintained infrastructure to attract and enable investment – <b>Maintain Infra</b>	000T1	<b>Maintenance</b> of <b>Electrical</b> Infrastructure	T1EM Operational
2 Service delivery	Ensure reliable, well-maintained infrastructure to attract and enable investment – <b>Maintain Infra</b>	000T1	<b>Maintenance</b> of existing <b>Tourism Infrastructure</b>	TMAIN Operational
3 Institutional	Maintenance of Municipal Buildings, Offices, Halls,	005T1	Upgrade and modernise the physical conditions of operational building	T1BUILD
3 Institutional	Strengthen ICT systems and digital service delivery	004T1	Maintain ICT systems, data security, and digital tools to support service delivery	T1ICT Operational
2 Service delivery	Construct and Upgrade reliable, infrastructure to attract and enable investment - <b>Capital Infra</b>	001T1	<b>Construct</b> and upgrade <b>water and sanitation</b> service infrastructure	WCOUN Capital
2 Service delivery	Construct and Upgrade reliable, infrastructure to attract and enable investment - <b>Capital Infra</b>	001T1	<b>Construct</b> and upgrade municipal <b>road</b> networks (gravel and tar)	RCOUN Capital
2 Service delivery	Construct and Upgrade reliable, infrastructure to attract and enable investment - <b>Capital Infra</b>	001T1	<b>Construct</b> and upgrade <b>stormwater</b> infrastructure	SCOUN Capital
2 Service delivery	Construct and Upgrade reliable, infrastructure to attract and enable investment - <b>Capital Infra</b>	001T1	<b>Construct</b> and upgrade of <b>Electrical</b> Infrastructure	ECOUN Capital
2 Service delivery	Construct and Upgrade reliable, infrastructure to attract and enable investment - <b>Capital Infra</b>	001T1	<b>Construct</b> and upgrade <b>Tourism</b> Infrastructure	TCOUN Capital
1 Spatial Land Enviro Mgt	Ensure sustainable, compliant and well-managed land use and building development in line with legislation, the Spatial Development Framework, and National Building Regulations.	002T1	Ensure orderly, sustainable <b>land use and development</b> in line with the Spatial Development Framework and planning legislation.?	0T1TP Operational
1 Spatial Land Enviro Mgt	Ensure sustainable, compliant and well-managed land use and building development in line with legislation, the Spatial Development Framework, and National Building Regulations	002T1	Ensure safe, compliant <b>building development</b> in line with the National Building Regulations	0T1B1 Operational
2 and 1	Ensure safe, healthy, and resilient communities through effective protection, compliance, and community services	002T1	Improve <b>road safety</b> and ensure compliance with <b>traffic and licensing</b> regulations. Traffic	0T1TS Operational
2 Service delivery	Ensure safe, healthy, and resilient communities through effective protection, compliance, and community services	002T1	Enhance <b>fire safety, prevention, and emergency</b> response capacity.	0T1FS <b>AGENCY</b> Operational Cost
2 Service delivery	Ensure safe, healthy, and resilient communities through effective protection, compliance, and community services	002T1	Strengthen <b>community resilience</b> and <b>preparedness</b> for disasters and emergencies.	0T1DM <b>AGENCY</b> Operational Cost
2 Service delivery	Ensure safe, healthy, and resilient communities through effective protection, compliance, and community services	002T1	Promote sustainable <b>environmental</b> management and protect natural <b>biodiversity</b>	0T1EB Operational
2 Service delivery	Ensure safe, healthy, and resilient communities through effective	002T1	Improve <b>community safety</b> through traffic services, <b>by-law enforcement</b> and <b>emergency</b> response Community Safety	0T1CS Operational

	protection, compliance, and community services			
2 Service delivery	Ensure safe, healthy, and resilient communities through effective protection, compliance, and community services	002T1	Ensure dignified and well-maintained <b>cemeteries</b> for the community cemeteries	00T1C Operational
2 Service delivery	Ensure safe, healthy, and resilient communities through effective protection, compliance, and community services	002T1	Maintain and improve <b>recreational facilities</b> to promote community wellbeing and <b>social cohesion</b> recreational facilities	0T1RF Operational
2 Service delivery	Ensure safe, healthy, and resilient communities through effective protection, compliance, and community services	002T1	Safeguard <b>public health</b> through <b>environmental</b> monitoring.	0CPEV Operational
1 Spatial Land Enviro Mgt	Ensure safe, healthy, and resilient communities through effective protection, compliance, and community services	003T1	Safeguard <b>public health</b> through monitoring of <b>food premises and products</b>	0T1EH Operational
1 Spatial Land Enviro Mgt	Ensure safe, healthy, and resilient communities through effective protection, compliance, and community services	003T1	Ensure consistent <b>refuse removal and public cleansing</b> in all wards	T1WRC Operational
1 Spatial Land Enviro Mgt	Ensure safe, healthy, and resilient communities through effective protection, compliance, and community services	003T1	Maintain clean, safe, and compliant <b>public beaches and coastal facilities</b> to support community use and tourism	TMAIN Operational
5 Financial Plans & Budgets	Maintain financial sustainability through effective revenue, expenditure, and compliance management	000T2	Enhance <b>revenue collection, billing</b> accuracy, and <b>credit control</b> systems to support financial sustainability	REVCR Operational
5 Financial Plans & Budgets	Maintain financial sustainability through effective revenue, expenditure, and compliance management	000T2	?Ensure efficient and compliant processing of all <b>municipal expenditure and payroll</b> .?	T2EXP Operational
5 Financial Plans & Budgets	Maintain financial sustainability through effective revenue, expenditure, and compliance management	000T2	Implement transparent and compliant <b>supply chain</b> processes that promote value for money and local economic participation	T2SCM Operational
5 Financial Plans & Budgets	Maintain financial sustainability through effective revenue, expenditure, and compliance management	000T2	Maintain credible <b>budgets</b> , effective <b>cash flow</b> , and <b>statutory reporting</b> in line with the MFMA	T2B&T Operational
5 Financial Plans & Budgets	Maintain financial sustainability through effective revenue, expenditure, and compliance management	000T2	Ensure sound <b>financial and resource planning</b>	T2FRP Operational
3 Institutional	Strengthen institutional capacity and corporate support services to enable delivery on Ndlambe Top 4 development priorities	001T2	Ensure <b>Council and committees</b> fast-track decisions that enable Top 4 projects.	0T2CS Operational
3 Institutional	Strengthen institutional capacity and corporate support services to enable delivery on Ndlambe Top 4 development priorities	001T2	<b>Recruit, train</b> , and manage staff with priority on water, sanitation, roads, stormwater, and tourism infrastructure.	0T2HR Operational
3 Institutional	Strengthen institutional capacity and corporate support services to enable delivery on Ndlambe Top 4 development priorities	001T2	<b>Digitise and manage</b> infrastructure/service delivery documentation for quick access.	T2R&R Operational
3 Institutional	Strengthen institutional capacity and corporate support services to enable delivery on Ndlambe Top 4 development priorities	001T2	<b>Resolve legal blockages</b> and <b>maintain by-laws</b> that enable infrastructure and CPS delivery	LEGAL Operational
6 Good Govern.	Ensure integrated planning, performance, risk, and audit systems that enable accountable governance and effective service delivery	002T2	Credible Integrated Development Planning ( <b>IDP</b> )	T2IDP Operational
6 Good Govern.	Ensure integrated planning, performance, risk, and audit systems that enable accountable governance and effective service delivery	002T2	Performance Management System ( <b>PMS</b> )	T2PMS Operational
6 Good Govern.	Ensure integrated planning, performance, risk, and audit systems that enable accountable governance and effective service delivery	002T2	<b>Internal Audit and Risk Management are currently together. If could separate them???</b>	AUDIT Operational

4 LED	Promote local economic development through strategic initiatives and position Ndlambe as a potential logistics and trade hub.	002T3	Support sustainable livelihoods through <b>targeted LED</b> , SMME, EPWP/CWP projects / initiatives	T3LED Operational
6 Good Govern.	Promote inclusive development and community participation through economic facilitation, stakeholder engagement, and mainstreaming of vulnerable groups	003T3	Build community trust through <b>communication, public participation</b> and responsiveness to complaints and queries from the public	0T3PP Operational
6 Good Govern.	Promote inclusive development and community participation through economic facilitation, stakeholder engagement, and mainstreaming of vulnerable groups	002T2	<ul style="list-style-type: none"> <li>Ensure mainstreaming of vulnerable groups</li> </ul>	T3SPU Operational
6 Good Govern.	Promote inclusive development and community participation through economic facilitation, stakeholder engagement, and mainstreaming of vulnerable groups	003T3	<ul style="list-style-type: none"> <li>Promote / facilitate <b>integrated youth development and skills upliftment</b></li> </ul>	T3SPU Operational
1 Spatial Land Enviro Mgt	Facilitate housing delivery projects and informal settlement upgrading in partnership with Provincial and National.	000T3	Facilitate <b>housing delivery</b> projects and <b>informal settlement upgrading</b> in partnership with Provincial and National Human Settlements	0T3HS <b>AGENCY</b> Operational Cost
3 Institutional	Facilitate library and community facility programmes on behalf of District and Provincial mandates.	001T3	<b>Libraries &amp; Community Facilities</b> (Facilitated Delivery)	T3LIB <b>AGENCY</b> Operational Cost
3 Institutional	Facilitate library and community facility programmes on behalf of District and Provincial mandates.	001T3	<b>Libraries &amp; Community Facilities</b> (Facilitated Delivery)	T3LIB <b>AGENCY</b> Operational Cost
3 Institutional	Facilitate library and community facility programmes on behalf of District and Provincial mandates.	001T3	<b>Libraries &amp; Community Facilities</b> (Facilitated Delivery)	T3LIB <b>AGENCY</b> Operational Cost
2 Service delivery	Ensure safe, healthy, and resilient communities through effective protection, compliance, and community services	002T1	Enhance <b>fire safety, prevention, and emergency</b> response capacity.	0T1FS <b>AGENCY</b> Operational Cost

## 1.4 MUNICIPAL TARIFFS ON SERVICE CHARGES AND PROPERTY RATES

Ndlambe Municipality has initiated cost reflective tariff as required by Section 74(2) of the MSA which is meant to ensure that municipalities set tariffs that enable them to recover the full cost of rendering .

***This short summary describes the situation in respect of the Ndlambe Municipality' (Ndlambe) electricity tariffs.***

Ndlambe undertook a detailed electricity cost of supply and tariff study during 2024. The study found the following:

- Domestic tariffs without basic charges are heavily subsidised over and above free basic electricity funded by the equitable share.
- Most tariffs do not have any charges to reflect the capacity on the network.
- Bulk consumers did not contain time of signals.

A new set of tariffs were developed to reflect the various cost components namely:

- A basic charge to reflect the fixed customer services costs.
- A capacity charge to reflect the network costs and for bulk consumers a maximum demand charge.
- Energy charges to reflect the energy cost and for bulk consumers based on time of use.
- A 20 Amp tariff without fixed charges for the poor was continued.

These tariffs would be phased in over 3 years.

Every year an annual price increase was determined to ensure that the municipal costs are covered due to changing costs, and provision is made for a surplus to cover capital cost. The same process was followed for the annual increase as from 1 July 2026:

- This provides for the Eskom increase, almost 70% of total electricity costs, determined at 9.13% due to the Eskom tariff Municflex restructuring, rather than the Eskom average increase for municipalities at 9.01%.
- This provides for the various municipal operating costs and various critical capital expenditure including funding of the Smart meters for small scale embedded generation (SSEG) consumers.

This yielded a required average increase of 7%. It must be remembered that the 7% average price increase will be applied to the tariffs as restructured in terms of the final stage of the 3-year phase in plan. This means that the actual % increase will depend on the capacity selected, and the amount of kWh used every month.

The proposed tariffs have been published on the municipal website and was presented at various public participation sessions and request for written comments was made.

These tariffs have been APPROVED by the Council and is being submitted to NERSA for its approval.

Once NERSA has approved the tariffs it will be taken back to Council for approval and implementation as from 1 July 2026.

The proposed tariffs for 2026/2027 are detailed in the **Annexure A tariffs listing**.

## 1.5 BUDGET RELATED POLICIES

The Municipal Finance Management Act and Reporting Regulations require that all budget and budget related policies be reviewed, and where applicable, be updated on an annual basis.

The table below outlines the budget related policies that are amended for implementation in 2026/27 financial year.

Policy	Policy Amended			Amendment Date
	Yes	No	New	
Rates Policy		No		
Indigent Policy	YES			23/03/2026
Budget Policy		NO		
Creditors, Staff and Councilors Payment Policy		NO		
Customer Care & Credit Control and Debt Collection Policy		NO		
Consequence Management Policy	Yes			23/03/2026
Funding and Reserve Policy		NO		
Virement Policy	YES			23/03/2026
Banking & Investment policy		NO		
Subsistence and Travel Policy		NO		
Irregular Expenditure Reduction Strategy			NEW	19/03/2026
Fixed Asset Policy		NO		
Supply Chain Management Policy	YES			19/03/2026
Write-off of Irrecoverable Debt Policy	YES			23/03/2026
Loans Policy		NO		
Tariff Policy	YES			23/03/2026
Management of Accumulated Surplus and Bad Debt Policy		NO		
Loss Control Policy		NO		
Fuel Card Policy	YES			19/03/2026
Financial Management Internship Programme Policy		NO		
Cost Containment Policy		NO		
Donations Policy		NO		
Insurance Policy		NO		
Small Scale Embedded Generation Policy	YES			23/03/2026
Entertainment Policy		NO		
Long Term Financial Planning Policy		NO		
Petty Cash Policy		NO		
Overtime Policy		NO		
Debt Impairment Policy	YES			23/03/2026
Unallocated Deposits and Debtors with Credit Balances	YES			23/03/206
Consultant Policy		NO		

All the above policies can be viewed on the Ndlambe Municipality website [www.ndlambe.gov.za](http://www.ndlambe.gov.za)

## 1.6 OVERVIEW OF BUDGET ASSUMPTIONS

### 2.6.1 Projected Collection Rate

The municipality has projected an average collection rate per service as per table below:

Source of Income	Projected Collection Rates
Property Rates	90%
Water services	82%
Billed Electricity	82%
Sewerage / Sanitation	79%
Refuse Removal	79%
Environmental levy	75%
Housing Rental/Rentals	83%
Lease	
<b>Interest on current receivables</b>	
Interest Earned Outstanding Debtors	21%

The prepaid electricity and other miscellaneous tariffs are expected to be collected at 100%.

The two previous financial years collection rate was projected at 83%. The collection rate is in align with the current average collection rate.

The municipality's projected collection rate for the budget period is based on the strengthening of revenue enhancement and debt collection strategies aimed at improving consumer payment compliance. A key assumption supporting the improved collection rate is the continued implementation of water restriction measures and credit control enforcement mechanisms.

In Eskom electricity supply areas, where the municipality cannot disconnect electricity services, water restrictions will be utilised as the primary credit control measure to encourage payment of all municipal service charges and recover outstanding debt. Within municipal electricity licence areas, electricity disconnections and prepaid electricity blocking will continue to be implemented to enforce payment of arrear municipal accounts, including rates and other service charges.

The municipality anticipates that these measures will improve payment behaviour, reduce outstanding debtors, increase overall collection levels and strengthen cash flow,. In addition, water restriction measures are expected to contribute towards reduced excessive water consumption, lower water losses, improved water demand management, and a reduction in non-revenue water losses, thereby supporting more sustainable service delivery and the collection rate assumptions contained in the budget projections.

### 2.6.2 General inflation outlook and its impact on the municipal activities

The inflation outlook for South Africa is indicated below and has been taken into consideration in the compilation of the 2026/27 MTREF.

**Table 1: Macroeconomic performance and projections, 2025 - 2029**

Fiscal year	2024/25	2025/26	2026/27	2027/28	2028/29
	Actual	Estimate	Forecast		
CPI Inflation	4.4%	3.2%	3.4%	3.3%	3.2%

Source: National Treasury Budget Review 2026.

### 2.6.3 Revenue Services

During the 2023/24 financial year, a detailed Cost of Supply Study was undertaken for all trading services, with the outcomes to be implemented on a phased-in basis over a period of three to five financial years, depending on the service concerned. The 10.2% increase in the Water Basic Fee and Sanitation Pump-Out tariffs is attributable to the phased implementation of the Cost of Supply Study outcomes.

The 7% revenue-neutral increase on electricity services relates to the final year of implementing the Cost of Supply Study outcomes for electricity tariffs. The increase of 5.2% on the remaining tariffs is based on the cost of rendering the respective services, while also ensuring that tariff increases remain within the 6% target band as guided by previous MFMA Budget Circulars.

*Non-exchange transactions (property rates and environmental fee)*

- **Property rates** tariff has been projected to increase by 5.2% in 2026/27 and the subsequent two years.
- **Environmental fee** : 5.2% for 2026/27 and 5.2% for the two outer years.

*Exchange Transaction Service charges tariffs projected increases are as follows:*

- **Water Basic Fee:** A 10.2% increase (comprising 5.2% plus an estimated 5% for tariff structure) over the next two years, including the two outer years for the 2027 MTREF.
- **Water Usage:** A 5.2% increase for 2026/27, with 5.2% applied for the outer years.
- **Sewerage Basic Fee:** A 5.2% increase with 5.2% increases projected for the two outer years.
- **Sanitation/Pump Outs:** A 10.2% increase (5.2% plus an estimated 5% for tariff structure) for 2026/27, including the two outer years for the 2027 MTREF.
- **Waste Collection:** A 5.2% increase and over the two years of 2027MTREF.
- **Electricity tariff:** An increase of 7% for the current year and two outer years
- **Miscellaneous tariffs** : A 5.2% increase applied for 2026/27 and the outer years.

#### 2.6.4 Operating Costs

- **Depreciation** is calculated based on the rates outlined in the asset management policy. The municipality has no intention of changing these estimates; therefore, the cost model will remain consistent throughout the entire MTREF period. At the start of each financial year, it is standard practice for the municipality to review and revise the useful lives of assets.
- **Bulk Electricity Purchase:** A 9.01% Eskom increase considered and expected to decline to 5% over the two outer years .
- **Bulk water purchases** The costs for bulk water purchases are determined by the contract value of the current suppliers. To account for inflation CPI is applied annually to adjust the contract price. A CPI is applied annually for the two outer years
- **Employee-related costs:** Salaries are projected to increase by 4.75%, as per the bargaining agreement and 0.25% applied for notching.
- **Impairment Loss on Fixed Assets:** The impairment loss on fixed assets is expected to decline in the 2027 MTREF period compared to previous years, due to additional security enforcement and maintenance routines to address wear and tear.
- **Budgeted Expenditure and VAT:** The budgeted expenditure excludes Value Added Tax (VAT) throughout the MTREF, except for exempt and zero-rated items. Supplies of goods and services are charged at a standard VAT rate of 15%, excluding zero-rated and exempted supplies, as referenced in VAT Guide 419 and other relevant legislation.
- **The impairment loss for debtor's** budget provision for the 2026/27 budget includes historical debt considering 2024/25 annual financial statements and 5% increase for the outer years.

#### 2.6.5 Financial Position and other

The opening balance budget was based on 2026 adjustment budget opening balances and followed the same principle for the two outer years.

## 1.7 OVERVIEW OF BUDGET FUNDING

It is the requirement of National Treasury that Council must adopt a funded MTREF budget. It is therefore imperative that the unlimited wants from Ndlambe Community are prioritized considering the availability of resources and they were allocated over the 2026/2027 MTREF, this simply means others will be addressed in the subsequent budget years.

The 2026/2027 MTREF is funded by various funding sources such as property rates, service charges and the equitable share. Conditional grants are approved by National government and other spheres of government to fund authorized expenditure to achieve a specific objective outlined in DORA or in an approved business plan.

### Revenue Collections by Service

The table below outlines the projected receipts from Trading services and property rates that are mainly funding the budget: Projected opening cash and cash equivalent of R 26,525 million for 2026/27

Description R thousand	2026/27 Medium Term Revenue & Expenditure Framework		
	Budget Year 2026/27	Budget Year 2027/28	Budget Year 2028/29
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Property rates	179,618	188,958	198,784
Service charges	253,589	271,125	289,947
Other revenue	24,309	25,574	26,903
Transfers and Subsidies - Operational	156,623	160,891	165,026
Transfers and Subsidies - Capital	70,990	66,148	69,635
Interest	13,871	14,592	15,351
Dividends	0		

# 1.8 EXPENDITURE ON ALLOCATIONS AND GRANTS PROGRAMS

EC105 Ndlambe - Supporting Table SA19 Expenditure on transfers and grant programme

Description	###	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
<b>EXPENDITURE:</b>	1									
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		123,516	132,677	140,692	147,880	147,036	145,325	152,434	157,502	161,484
Local Government Financial Management Grant		2,650	2,650	2,500	2,500	2,500	1,347	2,700	2,800	2,900
Municipal Infrastructure Grant		1,635	1,491	1,556	3,261	2,417	1,860	3,517	3,640	1,864
Equitable Share		119,231	128,536	136,636	142,119	142,119	142,119	146,218	151,062	156,720
<b>Provincial Government:</b>		2,713	58,063	54,116	75,828	77,570	11,979	4,189	3,389	3,542
Alien Plant Eradication Grant		-	-	-	1,200	1,200	722	800	-	-
Human Settlement		-	55,302	51,474	71,270	71,270	8,848	-	-	-
Libraries and Archives Grant		2,713	2,761	2,642	3,358	5,100	2,410	3,389	3,389	3,542
<b>District Municipality:</b>		-	-	1,007	-	-	417	-	-	-
Specify (Add grant description)		-	-	-	-	-	61	-	-	-
Specify (Add grant description)		-	-	(0)	-	-	357	-	-	-
Public Safety		-	-	1,007	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	14,114	-	-	293	-	-	-
Housing Development Agency		-	-	14,114	-	-	293	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		126,229	190,740	209,930	223,708	224,606	158,015	156,623	160,891	165,026
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		108,918	71,366	90,451	103,604	163,649	124,815	69,197	66,148	69,635
Municipal Infrastructure Grant		29,092	28,328	29,573	29,285	30,129	30,012	30,238	32,582	35,409
Integrated National Electrification Programme Grant		1,394	-	-	12,057	12,057	9,793	13,959	7,316	7,647
Regional Bulk Infrastructure Grant		-	3,784	23,278	-	101,201	66,564	-	-	-
Water Services Infrastructure Grant		78,432	39,253	37,600	62,262	20,262	18,446	25,000	26,250	26,579
<b>Provincial Government:</b>		27,734	(15,367)	38,280	64,607	81,664	44,046	200	-	-
Disaster Relief/ Alien Eradication		-	1,224	11,718	100	100	27,566	200	-	-
Office of the Premier		3,376	3,900	5,352	-	-	-	-	-	-
Department of Water and Sanitation		16,508	-	-	-	-	84	-	-	-
Department of Human Settlement		-	(20,551)	21,210	34,087	48,156	12,952	-	-	-
Disaster Relief		-	-	-	30,420	33,308	3,471	-	-	-
Libraries and Archives Grant		2	60	-	-	100	(28)	-	-	-
Specify (Add grant description)		1,363	-	-	-	-	-	-	-	-
Office of the Premier		6,485	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		1,858	2,192	-	-	-	-	-	-	-
Public Safety		1,858	2,192	-	-	-	-	-	-	-
<b>Other grant providers:</b>		1,730	1,486	1,317	1,489	1,489	1,456	1,593	-	-
Human Settlement Re-development Programme		1,730	1,486	1,317	1,489	1,489	1,456	1,593	-	-
<b>Total capital expenditure of Transfers and Grants</b>		140,239	59,676	130,048	169,700	246,801	170,317	70,990	66,148	69,635
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		266,468	250,416	339,978	393,408	471,408	328,332	227,613	227,039	234,661

### 3.1 ALLOCATIONS AND GRANTS MADE BY NDLAMBE MUNICIPALITY

EC105 Ndlambe - Supporting Table SA21 Transfers and grants made by the municipality											
Description	###	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
<b>R thousand</b>											
<b><u>Monetary Transfers to Entities/Other External Mechanisms</u></b>											
Public Protection and Safety: Public Security in Ndlambe Area		–	230	104	222	222	222	–	180	189	189
Human Resource Management: Bursaries for non-employees		–	500	528	554	554	554	–	300	315	331
Library Programmes: Grade 12 Intervention Programme		–	240	509	300	544	544	–	480	335	335
Community Development Initiatives: Donations		–	330	800	755	755	755	–	551	579	608
Protecting the Poor: Mayoral Assistance		–	140	150	158	158	158	–	150	157	165
Feeding/Nutritional Scheme: Support for Soup Kitchen		–	240	210	240	240	240	–	200	210	221
Sport Development and Sponsorships (Internal): Sport Donations		–	240	346	250	250	250	–	352	369	388
Disability: Casual Day		–	10	10	20	20	20	–	10	11	11
Youth Development: Youth Empowerment		–	50	200	100	–	–	–	125	131	138
Child Programmes: Donations		–	100	100	100	80	80	–	33	35	37
Gender Development: Woman's Month		–	50	200	200	100	100	–	95	100	105
Gender Development: Gender Based Violence		–	100	140	140	106	106	–	20	21	22
Gender Development: Men's Forum		–	25	40	100	50	50	–	–	–	–
Municipal Games: Mayoral Cup		–	30	64	100	–	–	–	–	–	–
Youth Development: Youth Empowerment		–	50	110	200	100	100	–	–	–	–
Project Implementation: Emergency Water and Feed Assistance Programme to Farmers		0	0	0	0	0	0	0	228	239	251
Entrepreneurial Support System: SMME Support		–	675	765	800	935	935	–	333	349	367
Tourism Development: Tourism Development		–	900	990	999	1,089	1,089	–	1,000	1,000	1,000
Project Implementation: LED Project Implementation		–	310	500	500	690	690	–	250	263	276
<b><u>Total Monetary Transfers To Entities/Other External Mechanisms</u></b>		–	<b>4,220</b>	<b>5,766</b>	<b>5,738</b>	<b>5,892</b>	<b>5,892</b>	–	<b>4,307</b>	<b>4,303</b>	<b>4,444</b>

The table above are the only allocations and grants budgeted for by the municipality. During the financial year, Council may resolve to make further allocations or grants based on the merits of the applicant. The grants/donations are eligible to the non-profit organizations, SMME's and Matriculants who obtained grade 12 certificates, that reside within the jurisdiction of Ndlambe municipality. The applications to be considered for the donations / grants are made through the office of the Local Economic development, Special Programme Unit and Human Resources. Each individual application will be evaluated and assessed based on its merits and authorized by the Municipal Manager.

### 3.2 COUNCILLORS ALLOWANCES AND EMPLOYEE BENEFITS

#### EC105 Ndlambe- Supporting Table SA22 Summary councillor and staff benefi

Summary of Employee and Councillor remuneration  R thousand	##	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
		A	B	C	D	E	F	G	H	I
<b><u>Councillors (Political Office Bearers plus Other) Allowances and Service Related Benefits</u></b>	1									
Basic Salary		4,993	5,760	5,941	5,719	5,719	5,719	5,702	5,702	5,702
Cell phone Allowance		816	856	864	864	864	864	864	864	864
Housing Allowance		-	-	-	-	-	-	-	-	-
In-kind Benefits		-	-	-	-	-	-	-	-	-
Market Related Non-pensionable Allowance		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		1,360	1,360	1,360	1,360	1,360	1,360	1,360	1,360	1,360
Office-bearer Allowance		-	-	-	-	-	-	-	-	-
Out of pocket Expenses		-	-	-	-	-	-	-	-	-
Travelling Allowance		-	-	-	-	-	-	-	-	-
Use of Personal Facilities		-	-	-	-	-	-	-	-	-
<b>Total Allowances and Service Related Benefits</b>		<b>7,170</b>	<b>7,976</b>	<b>8,165</b>	<b>7,943</b>	<b>7,943</b>	<b>7,943</b>	<b>7,926</b>	<b>7,926</b>	<b>7,926</b>
<b>Social Contributions</b>										
Medial Aid Benefits		157	138	130	127	127	127	152	160	168
Pension Fund Contributions		345	367	387	398	398	398	398	398	398
<b>Total Social Contributions</b>		<b>502</b>	<b>506</b>	<b>517</b>	<b>525</b>	<b>525</b>	<b>525</b>	<b>550</b>	<b>558</b>	<b>566</b>
<b>Total Councillors</b>		<b>7,671</b>	<b>8,482</b>	<b>8,682</b>	<b>8,469</b>	<b>8,469</b>	<b>8,469</b>	<b>8,476</b>	<b>8,484</b>	<b>8,492</b>
<b><u>% increase Senior Managers of the Municipality Salaries and Allowances</u></b>	4		<b>10.6%</b>	<b>2.4%</b>	<b>(2.5%)</b>	<b>-</b>	<b>-</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>
	2									
Basic Salary		5,197	6,413	7,802	6,950	6,950	6,950	7,579	7,958	8,356
Bonuses		831	1,061	1,339	579	584	584	1,363	1,395	1,272
<b>Allowance</b>										
Accommodation, Travel and Incidental		-	-	-	-	-	-	-	-	-
Cellular and Telephone	3	117	123	123	123	123	123	123	123	123
Housing Benefits	3	130	132	132	140	140	140	139	145	153
Non-pensionable		57	60	60	63	63	63	63	66	69
Travel or Motor Vehicle	3	942	972	972	972	972	972	972	972	972

Voluntary Work		-	-	-	-	-	-	-	-
<b>Total Allowance Service Related Benefits</b>		<b>1,247</b>	<b>1,286</b>	<b>1,286</b>	<b>1,298</b>	<b>1,298</b>	<b>1,298</b>	<b>1,296</b>	<b>1,306</b>
Acting	3	102	71	199	199	199	199	214	224
Bonus	3	-	-	-	-	-	-	-	-
Danger Allowance	3	-	-	-	-	-	-	-	-
Entertainment	3	-	-	-	-	-	-	-	-
Fire Brigade		-	-	-	-	-	-	-	-
In-kind Benefits	3	-	-	-	-	-	-	-	-
Leave Pay	3	425	639	540	614	614	614	-	-
Lifeguard/Duty Squads		-	-	-	-	-	-	-	-
Long Service Award		-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-
Scarcity	3	-	-	-	-	-	-	-	-
Standby Allowance	3	-	-	-	-	-	-	-	-
Tools Allowance	3	-	-	-	-	-	-	-	-
Uniform/Special/Protective Clothing	3	-	-	-	-	-	-	-	-
Leave gratuity		-	-	-	-	-	-	-	-
Long Term Service Award		-	-	-	-	-	-	-	-
<b>Total Service Related Benefits</b>		<b>527</b>	<b>710</b>	<b>739</b>	<b>813</b>	<b>813</b>	<b>813</b>	<b>214</b>	<b>224</b>
<b>Total Salaries and Allowances</b>		<b>7,802</b>	<b>9,470</b>	<b>11,167</b>	<b>9,641</b>	<b>9,646</b>	<b>9,646</b>	<b>10,452</b>	<b>10,884</b>
<b>Social Contributions</b>									
Bargaining Council		1	1	1	1	1	1	1	1
Group Life Insurance		-	-	-	-	-	-	-	-
Medical		249	287	304	320	320	320	372	390
Pension		769	1,058	1,172	1,289	1,289	1,289	1,406	1,476
Unemployment Insurance		10	11	11	11	11	11	11	12
<b>Total Social Contributions</b>		<b>1,028</b>	<b>1,356</b>	<b>1,488</b>	<b>1,620</b>	<b>1,620</b>	<b>1,620</b>	<b>1,789</b>	<b>1,879</b>
<b>Post-retirement Benefit</b>	6								
Medical		-	-	-	-	-	-	-	-
Other Benefits		-	-	-	-	-	-	-	-
Pension		-	-	-	-	-	-	-	-
<b>Total Post-retirement Benefit</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Costs Capitalised to PPE		-	-	-	-	-	-	-	-

<b>Sub Total - Senior Managers of Municipality</b>		<b>8,830</b>	<b>10,826</b>	<b>12,654</b>	<b>11,261</b>	<b>11,266</b>	<b>11,266</b>	<b>12,242</b>	<b>12,762</b>	<b>13,154</b>
<b>% increase</b>	4		<b>22.6%</b>	<b>16.9%</b>	<b>(11.0%)</b>	<b>0.0%</b>	<b>-</b>	<b>8.7%</b>	<b>4.3%</b>	<b>3.1%</b>
<b>Other Municipal Staff Salaries and Allowances</b>										
Basic Salary		96,547	105,895	114,574	132,023	130,068	130,068	138,828	145,769	153,058
Bonuses		-	-	-	-	-	-	-	-	-
<b>Allowance</b>										
Accommodation, Travel and Incidental		-	-	-	-	-	-	-	-	-
Cellular and Telephone	3	248	320	322	305	312	312	308	308	308
Housing Benefits	3	504	491	1,038	497	514	514	489	509	529
Non-pensionable		1,085	869	831	824	824	824	792	792	792
Travel or Motor Vehicle	3	4,579	5,226	5,886	5,495	5,539	5,539	5,807	5,807	5,807
Voluntary Work		-	-	-	-	-	-	-	-	-
<b>Total Allowance</b>		<b>6,416</b>	<b>6,906</b>	<b>8,077</b>	<b>7,121</b>	<b>7,189</b>	<b>7,189</b>	<b>7,396</b>	<b>7,416</b>	<b>7,436</b>
<b>Service Related Benefits</b>										
Acting	3	1,101	679	820	743	795	795	1,293	1,380	1,424
Bonus	3	8,080	8,978	9,876	10,789	10,752	10,752	11,528	12,104	12,709
Danger Allowance	3	-	-	-	-	-	-	14	14	14
Entertainment	3	-	-	-	-	-	-	-	-	-
Fire Brigade		-	-	-	-	-	-	-	-	-
In-kind Benefits	3	-	-	-	-	-	-	154	162	170
Leave Pay	3	404	921	73	-	-	-	-	-	-
Lifeguard/Duty Squads		-	-	-	-	-	-	-	-	-
Long Service Award		742	604	858	-	6	6	35	30	30
Overtime		14,596	13,018	13,170	6,650	8,412	8,412	1,301	1,287	1,332
Scarcity	3	-	-	-	-	-	-	-	-	-
Standby Allowance	3	3,239	3,253	3,350	1,955	1,955	1,955	1,416	1,416	1,416
Tools Allowance	3	-	-	-	-	-	-	-	-	-
Uniform/Special/Protective Clothing	3	-	-	-	-	-	-	-	-	-
Leave gratuity		-	-	-	-	-	-	-	-	-
Long Term Service Award		-	-	-	-	-	-	-	-	-
<b>Total Service Related Benefits</b>		<b>28,163</b>	<b>27,454</b>	<b>28,146</b>	<b>20,137</b>	<b>21,920</b>	<b>21,920</b>	<b>15,743</b>	<b>16,393</b>	<b>17,096</b>
<b>Total Salaries and Allowances</b>		<b>131,125</b>	<b>140,255</b>	<b>150,797</b>	<b>159,280</b>	<b>159,177</b>	<b>159,177</b>	<b>161,967</b>	<b>169,578</b>	<b>177,590</b>
<b>Social Contributions</b>										
Bargaining Council		63	69	71	76	75	75	79	79	79

Group Life Insurance		251	268	235	373	373	373	401	429	450
Medical		13,376	14,930	16,084	18,634	18,492	18,492	20,994	21,904	22,929
Pension		16,657	18,485	19,766	22,687	22,516	22,516	24,354	25,572	26,850
Unemployment Insurance		1,041	1,043	1,038	1,116	1,113	1,113	1,158	1,215	1,274
<b>Total Social Contributions</b>		<b>31,388</b>	<b>34,794</b>	<b>37,193</b>	<b>42,884</b>	<b>42,570</b>	<b>42,570</b>	<b>46,985</b>	<b>49,198</b>	<b>51,583</b>
<b>Post-retirement Benefit</b>	6									
Medical		8,109	9,337	10,187	-	2,966	2,966	3,124	3,280	3,444
Other Benefits		-	-	-	-	-	-	-	-	-
Pension		-	-	-	-	-	-	-	-	-
<b>Total Post-retirement Benefit</b>		<b>8,109</b>	<b>9,337</b>	<b>10,187</b>	<b>-</b>	<b>2,966</b>	<b>2,966</b>	<b>3,124</b>	<b>3,280</b>	<b>3,444</b>
Costs Capitalised to PPE		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>170,622</b>	<b>184,386</b>	<b>198,178</b>	<b>202,165</b>	<b>204,713</b>	<b>204,713</b>	<b>212,076</b>	<b>222,057</b>	<b>232,617</b>
<b>% increase</b>	4		<b>8.1%</b>	<b>7.5%</b>	<b>2.0%</b>	<b>1.3%</b>	<b>-</b>	<b>3.6%</b>	<b>4.7%</b>	<b>4.8%</b>
<b>Total Parent Municipality</b>		<b>187,124</b>	<b>203,694</b>	<b>219,514</b>	<b>221,895</b>	<b>224,447</b>	<b>224,447</b>	<b>232,794</b>	<b>243,303</b>	<b>254,263</b>
<b>TOTAL MANAGERS AND STAFF</b>	5,7	<b>181,910</b>	<b>195,212</b>	<b>210,832</b>	<b>213,426</b>	<b>215,979</b>	<b>215,979</b>	<b>224,318</b>	<b>234,819</b>	<b>245,771</b>

- The budget provision for councillors has increased by 0.1% compared to the adjusted budget and is projected to increase by a further 0.1% over the outer years.
- The budget provision for senior managers has increased by 8.7% compared to the adjusted budget for the 2025/26 financial year and is forecast to increase by 4% annually over the outer years. The provision for senior management bonuses includes both 13th cheques and performance bonuses, in accordance with the terms of their employment contracts. The 13th cheque provision amounts to R632 thousand in 2026/27, increasing by 8% to R663 thousand in 2027/28 and R696 thousand in 2028/29. Performance bonuses have been budgeted at R731 thousand for 2026/27, R732 thousand for 2027/28, and R576 thousand for 2028/29.
- The budget provision for other staff has increased by 3.6% compared to the adjusted budget and is forecast to increase at an average annual rate of 5% over the outer years.

#### 4.1 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

From the information provided it is clear to note that expenditure can only be incurred if the revenue is available in our bank account. The municipality has always been prudent in Cash flow management.

EC105 Ndlambe - Supporting Table SA30 Budgeted monthly cash flow															
MONTHLY CASH FLOWS	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
	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
<b>R thousand</b>															
<b>Cash Receipts By Source</b>													1		
Property rates	14,968	14,968	14,968	14,968	14,968	14,968	14,968	14,968	14,968	14,968	14,968	14,968	179,618	188,958	198,784
Service charges - electricity revenue	10,216	10,216	10,216	10,216	10,216	10,216	10,216	10,216	10,216	10,216	10,216	10,216	122,591	131,172	140,354
Service charges - water revenue	5,649	5,649	5,649	5,649	5,649	5,649	5,649	5,649	5,649	5,649	5,649	5,649	67,787	73,312	79,328
Service charges - sanitation revenue	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	34,186	36,107	38,143
Service charges - refuse revenue	2,419	2,419	2,419	2,419	2,419	2,419	2,419	2,419	2,419	2,419	2,419	2,419	29,025	30,534	32,122
Rental of facilities and equipment	162	162	162	162	162	162	162	162	162	162	162	162	1,943	2,044	2,151
Interest earned - external investments	497	497	497	497	497	497	497	497	497	497	497	497	5,966	6,276	6,603
Interest earned - outstanding debtors	659	659	659	659	659	659	659	659	659	659	659	659	7,905	8,316	8,748
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	58	58	58	58	58	58	58	58	58	58	58	58	693	729	767
Licences and permits	676	676	676	676	676	676	676	676	676	676	676	676	8,109	8,530	8,974
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	49,237	1,278	1,278	1,278	1,278	53,069	1,278	1,278	42,816	1,278	1,278	1,278	156,623	160,891	165,026
Other revenue	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	13,564	14,270	15,012
<b>Cash Receipts by Source</b>	<b>88,519</b>	<b>40,560</b>	<b>40,560</b>	<b>40,560</b>	<b>40,560</b>	<b>92,351</b>	<b>40,560</b>	<b>40,560</b>	<b>82,098</b>	<b>40,560</b>	<b>40,560</b>	<b>40,560</b>	<b>628,010</b>	<b>661,139</b>	<b>696,010</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	5,783	5,783	5,783	5,783	5,783	5,783	5,783	5,783	5,783	5,783	5,783	5,783	69,397	66,148	69,635
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	133	133	133	133	133	133	133	133	133	133	133	133	1,593	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vat Control (receipts)	2,080	2,395	3,580	2,355	2,256	2,144	1,998	2,086	1,958	1,952	1,951	1,951	26,704	24,044	24,311
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Refund - Capital	9	9	9	9	9	9	9	9	9	9	9	9	105	107	110
Interest on Short Term Investment (Greater than 90 days) and Long Term	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>96,523</b>	<b>48,880</b>	<b>50,065</b>	<b>48,839</b>	<b>48,740</b>	<b>100,420</b>	<b>48,483</b>	<b>48,571</b>	<b>89,981</b>	<b>48,436</b>	<b>48,436</b>	<b>48,436</b>	<b>725,809</b>	<b>751,438</b>	<b>790,066</b>
<b>Cash Payments by Type</b>															
Employee related costs	18,790	18,780	18,805	18,780	18,780	19,417	18,780	19,512	18,780	18,780	18,780	18,780	226,766	237,311	248,306
Remuneration of councillors	731	731	731	731	731	731	731	731	731	731	731	731	8,776	8,794	8,812
Finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Electricity	9,635	9,635	9,635	9,635	9,635	9,635	9,635	9,635	9,635	9,635	9,635	9,635	115,617	121,398	127,468
Contracted services	3,221	3,221	3,221	3,221	3,221	3,221	3,221	3,221	3,221	3,221	3,221	3,221	38,651	42,859	45,750
Transfers and subsidies - other municipalities	11,346	11,335	13,154	11,698	11,878	12,357	11,237	11,335	11,335	11,341	11,335	11,339	139,688	144,732	148,954
Transfers and subsidies - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	359	359	359	359	359	359	359	359	359	359	359	359	4,306	4,352	4,502
Cash Payments by Type	6,618	6,646	7,554	6,662	6,594	6,479	6,479	6,594	6,594	6,594	6,594	6,594	79,998	83,277	86,649
<b>Cash Payments by Type</b>	<b>50,701</b>	<b>50,707</b>	<b>53,459</b>	<b>51,085</b>	<b>51,197</b>	<b>52,198</b>	<b>50,442</b>	<b>51,386</b>	<b>50,655</b>	<b>50,660</b>	<b>50,655</b>	<b>50,659</b>	<b>613,804</b>	<b>642,724</b>	<b>670,440</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	7,037	9,490	15,799	8,961	7,880	6,661	6,661	7,121	6,144	6,086	6,086	6,086	94,012	71,147	74,250
Retention (Capital)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>57,738</b>	<b>60,197</b>	<b>69,257</b>	<b>60,046</b>	<b>59,078</b>	<b>58,859</b>	<b>57,103</b>	<b>58,507</b>	<b>56,798</b>	<b>56,746</b>	<b>56,741</b>	<b>56,745</b>	<b>707,815</b>	<b>713,871</b>	<b>744,690</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>38,785</b>	<b>(11,317)</b>	<b>(19,192)</b>	<b>(11,207)</b>	<b>(10,337)</b>	<b>41,561</b>	<b>(8,620)</b>	<b>(9,937)</b>	<b>33,183</b>	<b>(8,310)</b>	<b>(8,305)</b>	<b>(8,309)</b>	<b>17,993</b>	<b>37,568</b>	<b>45,375</b>
Cash/cash equivalents at the month/year begin:	26,525	65,310	53,992	34,800	23,593	13,256	54,816	46,196	36,259	69,442	61,132	52,827	26,525	44,518	82,086
Cash/cash equivalents at the month/year end:	65,310	53,992	34,800	23,593	13,256	54,816	46,196	36,259	69,442	61,132	52,827	44,518	44,518	82,086	127,461

#### **4.2 ANNUAL BUDGETS AND SERVICES DELIVERY AND BUDGET IMPLEMENTATION PLANS PER DIRECTORATE**

The final service delivery budget implementation plan for 2026/2027 is tabled with the final budget.  
See Annexure C

### 4.3 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

The contracts that are outlined in the table below are the current contracts that the municipality has entered for more than a year.

**Ndlambe - Supporting Table SA32 List of external mechanisms**

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1. Number	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2. R thousand	Balances R thousand
Sizwe Amanzi	Yrs	1	Maintenance of RO plant Thornhill Bulk MV Support Infrastructure & Switch House Upgrade and Protection Schemes	31-Jul-26	11,648	1,300
CDR Technical	Yrs	10	Provision of electricity to household	30-May-30	15,500	14,679
CDR Technical (monthly variable)	Yrs	10	Provision of electricity to household	30-May-30	29,779	13,381
CDR Technical (Monthly Fixed)	Yrs	10	Provision of electricity to household	30-May-30	169,087	105,201
Rocheford Pearls Mphele Engineers and Projects Management	Yrs	1	Free basic alternative energy (gel and stoves)	31-Aug-26	8	673
NJH Group	Yrs	3	External facilities: Maintenance of landfill sites	30-Nov-27	23,064	5,471
Cacadu Security Services	Yrs	3	Public security in Ndlambe area	30-Jun-28	8,667	8,184
Ibubesi like Noni Security and Cleaning	Yrs	3	Public security in Ndlambe area	30-Jun-28	11,562	9,399
Multi Security Services	Yrs	3	Public security in Ndlambe area	30-Jun-28	9,447	6,858
Umhlaba Consulting Group	Yrs	3	Public security in Ndlambe area	30-Jun-28	1,286	347
Penny Lindstrom VA	Yrs	5	Operational: Municipal Running Cost Annual property valuations and valuation certificate	30-Jun-29	5,759	2,135
Munsoft	Yrs	3	Financial System	30-Jun-28	3,595	3,595
RUMAS	Yrs	6	Addressing of Audit Findings To Improve the Audit Outcomes	30-Jun-28	1,782	0
				30-Oct-28	2,527	524

- The CDR contract is structured into three main components to ensure comprehensive and flexible service delivery. The first component is the fixed contract portion, which covers predetermined goods and services required on an ongoing basis. The second component relates to the monthly variable costs associated with operations, maintenance, and construction services, which fluctuate depending on the extent of work performed during a given period. The third component is the monthly stock provision, which is supplied on an “as and when required” basis to support operational needs and ensure the availability of essential materials.
- Four service providers for security services were awarded contracts under the security tender. Multi Security is responsible for the provision of alarm systems and armed response services for municipal buildings. The remaining three service providers are responsible for guarding services across various Ndlambe municipal assets, with each provider allocated in specific geographic areas within the municipality.
- Penny Lindstrom is the appointed Municipal Valuer responsible for compiling and maintaining the General Valuation Roll, as well as conducting Supplementary Valuations to ensure that the valuation roll remains accurate and up to date throughout the duration of the contract. The General Valuation Roll represents a comprehensive assessment of all rateable properties within the municipality and forms the basis for the levying of property rates in accordance with applicable legislation.
- Rumas provides a range of systems and consulting services to support the Municipality’s operations and financial management functions. These include the Indigent Verification System, Document Verification System, and Bidder Vetting System, which collectively enhance compliance, data integrity, and due diligence processes. In addition, Rumas offers specialised consulting services

such as the implementation of Enterprise Resource Planning (ERP) solutions, business intelligence and data analytics, data cleansing, and revenue enhancement strategies. Their services also extend to benchmarking and reporting, which support informed decision-making, improve operational efficiency, and strengthen overall financial performance and governance.

#### 4.4 CAPITAL EXPENDITURE DETAILS

Table SA34a, SA34b, SA34c, SA34d and sa34e are the supporting tables for table A5.

#### Capital expenditure on new assets by asset class

EC105 Ndlambe - Supporting Table SA34a Capital expenditure on new assets by asset class										
Description	###	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
R thousand	1									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		54,888	21,498	59,684	95,144	149,451	149,451	47,282	47,520	32,941
Roads Infrastructure		-	252	-	-	-	-	-	-	-
Roads		-	252	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		1,852	-	527	12,334	10,971	10,971	18,132	7,862	7,650
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	1,894	-	-
MV Substations		1,852	-	-	4,348	4,348	4,348	13,738	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	7,986	6,623	6,623	-	6,362	6,650
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	527	-	-	-	2,500	1,500	1,000
Water Supply Infrastructure		9,041	9,431	26,458	35,810	90,810	90,810	750	-	-
Dams and Weirs		6,897	576	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		1,941	3,069	7,026	2,609	2,609	2,609	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	5,449	19,372	33,202	88,001	88,001	750	-	-
Bulk Mains		10	29	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		193	308	60	-	200	200	-	-	-
Sanitation Infrastructure		43,985	11,773	32,699	47,000	47,671	47,671	28,400	39,659	25,291
Pump Station		-	488	299	-	-	-	-	-	-
Reticulation		-	160	24,482	40,334	44,178	44,178	7,909	5,536	7,865
Waste Water Treatment Works		22,871	2,267	864	5,440	1,801	1,801	20,491	34,123	17,426
Outfall Sewers		21,114	8,858	7,054	1,226	1,691	1,691	-	-	-
Information and Communication Infrastructure		10	42	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		10	42	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

<b>Community Assets</b>	-	-	-	<b>700</b>	<b>57</b>	<b>57</b>	-	-	-
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	-	-	-	700	57	57	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	700	57	57	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-

<b>Other assets</b>		<b>1,452</b>	-	-	-	<b>26</b>	<b>26</b>	-	-	-
Operational Buildings		1,452	-	-	-	26	26	-	-	-
Municipal Offices		1,452	-	-	-	26	26	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		1,653	1,135	1,146	530	480	480	150	200	300
Computer Equipment		1,653	1,135	1,146	530	480	480	150	200	300
<b>Furniture and Office Equipment</b>		659	1,085	191	564	374	374	-	-	-
Furniture and Office Equipment		659	1,085	191	564	374	374	-	-	-
<b>Machinery and Equipment</b>		1,142	359	66	1,182	149	149	-	-	-
Machinery and Equipment		1,142	359	66	1,182	149	149	-	-	-
<b>Transport Assets</b>		7,086	7,235	5,094	4,750	6,833	6,833	8,812	-	-
Transport Assets		7,086	7,235	5,094	4,750	6,833	6,833	8,812	-	-
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Living resources</b>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	<b>1</b>	<b>66,880</b>	<b>31,311</b>	<b>66,181</b>	<b>102,870</b>	<b>157,369</b>	<b>157,369</b>	<b>56,244</b>	<b>47,720</b>	<b>33,241</b>

## Capital expenditure on the renewal of the existing assets

EC105 Ndlambe - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class										
Description	###	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
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		30	-	998	-	1,900	1,900	2,510	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		30	-	-	-	-	-	-	-	-
Drainage Collection		30	-	-	-	-	-	-	-	-
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		-	-	998	-	1,900	1,900	2,510	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	1,900	1,900	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	998	-	-	-	910	-	-
Distribution Points		-	-	-	-	-	-	1,600	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

<b>Community Assets</b>		-	-	476	1,785	1,039	1,039	-	-	-
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		-	-	476	1,785	1,039	1,039	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	476	1,785	1,039	1,039	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		35	38	-	-	-	-	-	-	-
Computer Equipment		35	38	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Living resources</b>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on renewal of existing asse</b>	1	65	38	1,474	1,785	2,939	2,939	2,510	-	-
<b>Renewal of Existing Assets as % of total capex</b>		0.0%	0.0%	0.9%	1.1%	1.3%	1.3%	3.0%	0.0%	0.0%
<b>Renewal of Existing Assets as % of deprecn"</b>		0.1%	0.1%	3.4%	4.2%	6.9%	6.9%	5.0%	0.0%	0.0%

## Repairs and Maintenance expenditure by asset class

EC105 Ndlambe - Supporting Table SA34c Repairs and maintenance expenditure by asset class										
Description	###	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
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		<b>14,214</b>	<b>19,841</b>	<b>26,667</b>	<b>40,863</b>	<b>46,427</b>	<b>46,427</b>	<b>58,682</b>	<b>71,851</b>	<b>74,116</b>
Roads Infrastructure		236	436	6,127	6,200	6,530	6,530	5,953	12,620	11,926
Roads		236	436	6,127	6,200	6,530	6,530	5,953	12,620	11,926
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		852	1,047	854	1,400	1,200	1,200	2,616	2,727	2,863
Drainage Collection		852	1,047	854	1,400	1,200	1,200	2,616	2,727	2,863
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	3,276	3,276	3,276	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	3,276	3,276	3,276	-	-	-
Water Supply Infrastructure		7,548	11,297	12,489	17,812	24,366	24,366	40,734	46,440	48,760
Dams and Weirs		83	83	100	80	80	80	230	392	411
Boreholes		135	75	172	112	112	112	300	315	331
Reservoirs		71	-	98	570	580	580	-	1,125	1,181
Pump Stations		769	634	1,561	3,190	3,190	3,190	3,255	4,573	4,799
Water Treatment Works		6,490	10,505	10,559	13,860	20,405	20,405	34,249	36,201	38,011
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	2,700	3,835	4,027
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		1,131	1,126	840	3,450	3,180	3,180	1,900	2,210	2,321
Pump Station		1,131	1,030	840	2,700	2,430	2,430	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	650	650	650	1,900	2,210	2,321
Outfall Sewers		-	96	-	100	100	100	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		4,447	5,936	6,356	8,725	7,875	7,875	7,480	7,854	8,247
Landfill Sites		4,447	5,936	6,356	8,725	7,875	7,875	7,480	7,854	8,247
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

<b>Community Assets</b>		<b>(114)</b>	<b>162</b>	<b>277</b>	<b>360</b>	<b>360</b>	<b>360</b>	<b>405</b>	<b>425</b>	<b>447</b>
Community Facilities		(114)	-	45	60	60	60	235	247	259
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		(114)	-	45	60	60	60	80	84	88
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	155	163	171
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	162	232	300	300	300	170	179	187
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	162	232	300	300	300	170	179	187
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>148</b>	<b>51</b>	<b>-</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		148	51	-	70	70	70	-	-	-
Improved Property		148	51	-	70	70	70	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		<b>4,840</b>	<b>4,480</b>	<b>3,801</b>	<b>4,898</b>	<b>4,815</b>	<b>4,815</b>	<b>2,793</b>	<b>2,964</b>	<b>3,112</b>
Operational Buildings		4,840	4,480	3,801	4,898	4,815	4,815	2,793	2,964	3,112
Municipal Offices		4,840	4,480	3,801	4,898	4,815	4,815	2,793	2,964	3,112
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		<b>14</b>	<b>30</b>	<b>10</b>	<b>103</b>	<b>101</b>	<b>101</b>	<b>10</b>	<b>11</b>	<b>11</b>
Computer Equipment		14	30	10	103	101	101	10	11	11
<b>Furniture and Office Equipment</b>		<b>44</b>	<b>112</b>	<b>30</b>	<b>467</b>	<b>235</b>	<b>235</b>	<b>50</b>	<b>53</b>	<b>55</b>
Furniture and Office Equipment		44	112	30	467	235	235	50	53	55
<b>Machinery and Equipment</b>		<b>2,692</b>	<b>3,599</b>	<b>2,067</b>	<b>932</b>	<b>774</b>	<b>774</b>	<b>5,111</b>	<b>5,613</b>	<b>5,638</b>
Machinery and Equipment		2,692	3,599	2,067	932	774	774	5,111	5,613	5,638
<b>Transport Assets</b>		<b>3,538</b>	<b>4,315</b>	<b>2,414</b>	<b>3,870</b>	<b>3,913</b>	<b>3,913</b>	<b>3,251</b>	<b>3,427</b>	<b>3,993</b>
Transport Assets		3,538	4,315	2,414	3,870	3,913	3,913	3,251	3,427	3,993
<b>Land</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Living resources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	<b>1</b>	<b>25,376</b>	<b>32,589</b>	<b>35,266</b>	<b>51,562</b>	<b>56,694</b>	<b>56,694</b>	<b>70,301</b>	<b>84,343</b>	<b>87,371</b>
<b>R&amp;M as a % of PPE &amp; Investment Property</b>		<b>2.0%</b>	<b>2.6%</b>	<b>2.7%</b>	<b>4.3%</b>	<b>4.5%</b>	<b>4.5%</b>	<b>5.7%</b>	<b>7.1%</b>	<b>7.7%</b>
<b>R&amp;M as % Operating Expenditure</b>		<b>4.4%</b>	<b>5.3%</b>	<b>5.2%</b>	<b>6.5%</b>	<b>7.0%</b>	<b>7.0%</b>	<b>16.7%</b>	<b>11.8%</b>	<b>11.4%</b>

# Depreciation by class

## EC105 Ndlambe - Supporting Table SA34d Depreciation by asset class

Description	###	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
<b>Depreciation by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		38,326	32,601	33,533	31,800	31,800	31,800	37,538	38,877	42,845
Roads Infrastructure		14,272	13,264	13,482	12,659	12,659	12,659	15,858	16,141	16,429
Roads		14,028	11,919	11,897	11,680	11,680	11,680	14,004	14,287	14,576
Road Structures		243	1,320	1,458	914	914	914	1,677	1,677	1,677
Road Furniture		0	25	126	63	63	63	174	174	174
Capital Spares		1	1	1	1	1	1	2	2	2
Storm water Infrastructure		-	9	80	1	1	1	33	33	33
Drainage Collection		-	9	7	1	1	1	11	11	11
Storm water Conveyance		-	-	73	-	-	-	22	22	22
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		3,753	3,767	3,765	3,747	3,747	3,747	3,908	4,108	7,176
Power Plants		37	37	37	37	37	37	37	37	37
HV Substations		-	-	4	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		352	353	351	350	350	350	354	404	404
MV Substations		637	629	628	627	627	627	637	687	797
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		12	12	12	12	12	12	22	22	22
LV Networks		93	98	97	97	97	97	98	98	98
Capital Spares		2,623	2,638	2,637	2,624	2,624	2,624	2,760	2,860	5,818
Water Supply Infrastructure		14,335	9,917	10,150	9,991	9,991	9,991	11,309	12,065	12,676
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		37	37	37	37	37	37	37	37	47
Reservoirs		27	28	27	27	27	27	48	48	58
Pump Stations		746	954	993	942	942	942	1,263	1,363	1,573
Water Treatment Works		11,357	6,672	6,775	6,727	6,727	6,727	7,433	7,559	7,689
Bulk Mains		132	180	180	179	179	179	281	311	422
Distribution		1,743	1,749	1,836	1,776	1,776	1,776	1,947	2,319	2,328
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		47	48	47	47	47	47	48	68	90
Capital Spares		245	250	255	255	255	255	252	361	471
Sanitation Infrastructure		5,966	5,644	6,054	5,402	5,402	5,402	6,431	6,531	6,531
Pump Station		278	389	388	388	388	388	391	391	391
Reticulation		-	-	598	-	-	-	627	627	627
Waste Water Treatment Works		-	-	88	-	-	-	494	494	494
Outfall Sewers		5,131	4,695	4,423	4,491	4,491	4,491	4,357	4,357	4,357
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		557	559	557	523	523	523	562	662	662
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-

<b>Community Assets</b>	<b>417</b>	<b>418</b>	<b>637</b>	<b>416</b>	<b>416</b>	<b>416</b>	<b>775</b>	<b>785</b>	<b>795</b>	
Community Facilities	0	0	0	0	0	0	0	0	0	
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	0	0	0	0	0	0	0	0	0	
Capital Spares	-	-	-	-	-	-	-	-	-	
Sport and Recreation Facilities	417	418	637	416	416	416	774	784	794	
Indoor Facilities	64	64	64	64	64	64	65	65	65	
Outdoor Facilities	269	270	490	269	269	269	606	606	606	
Capital Spares	83	83	83	83	83	83	104	114	124	
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-	
Monuments	-	-	-	-	-	-	-	-	-	
Historic Buildings	-	-	-	-	-	-	-	-	-	
Works of Art	-	-	-	-	-	-	-	-	-	
Conservation Areas	-	-	-	-	-	-	-	-	-	
Other Heritage	-	-	-	-	-	-	-	-	-	
<b>Investment properties</b>	<b>1,177</b>	<b>1,179</b>	<b>1,175</b>	<b>1,174</b>	<b>1,174</b>	<b>1,174</b>	<b>3,028</b>	<b>3,028</b>	<b>3,028</b>	
Revenue Generating	1,177	1,179	1,175	1,174	1,174	1,174	3,028	3,028	3,028	
Improved Property	1,177	1,179	1,175	1,174	1,174	1,174	3,028	3,028	3,028	
Unimproved Property	-	-	-	-	-	-	-	-	-	
Non-revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property	-	-	-	-	-	-	-	-	-	
Unimproved Property	-	-	-	-	-	-	-	-	-	
<b>Other assets</b>	<b>4,148</b>	<b>4,321</b>	<b>4,157</b>	<b>4,257</b>	<b>4,257</b>	<b>4,257</b>	<b>4,213</b>	<b>4,216</b>	<b>4,218</b>	
Operational Buildings	4,148	4,321	4,157	4,257	4,257	4,257	4,213	4,216	4,218	
Municipal Offices	4,134	4,307	4,142	4,242	4,242	4,242	4,200	4,202	4,205	
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	
Building Plan Offices	-	-	-	-	-	-	-	-	-	
Workshops	-	-	-	-	-	-	-	-	-	
Yards	-	-	-	-	-	-	-	-	-	
Stores	-	-	-	-	-	-	-	-	-	
Laboratories	-	-	-	-	-	-	-	-	-	
Training Centres	-	-	-	-	-	-	-	-	-	
Manufacturing Plant	6	6	6	6	6	6	3	3	3	
Depots	-	-	-	-	-	-	-	-	-	
Capital Spares	8	9	9	9	9	9	10	10	10	
Housing	-	-	-	-	-	-	-	-	-	
Staff Housing	-	-	-	-	-	-	-	-	-	
Social Housing	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
<b>Intangible Assets</b>	<b>41</b>	<b>38</b>	<b>7</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>4</b>	
Servitudes	-	-	-	-	-	-	-	-	-	
Licences and Rights	41	38	7	2	2	2	4	4	4	
Water Rights	-	-	-	-	-	-	-	-	-	
Effluent Licenses	-	-	-	-	-	-	-	-	-	
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	
Computer Software and Applications	41	38	7	2	2	2	4	4	4	
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-	
Unspecified	-	-	-	-	-	-	-	-	-	
<b>Computer Equipment</b>	<b>518</b>	<b>696</b>	<b>750</b>	<b>984</b>	<b>984</b>	<b>984</b>	<b>854</b>	<b>854</b>	<b>854</b>	
Computer Equipment	518	696	750	984	984	984	854	854	854	
<b>Furniture and Office Equipment</b>	<b>511</b>	<b>450</b>	<b>521</b>	<b>590</b>	<b>590</b>	<b>590</b>	<b>522</b>	<b>522</b>	<b>523</b>	
Furniture and Office Equipment	511	450	521	590	590	590	522	522	523	
<b>Machinery and Equipment</b>	<b>491</b>	<b>466</b>	<b>411</b>	<b>453</b>	<b>453</b>	<b>453</b>	<b>369</b>	<b>369</b>	<b>370</b>	
Machinery and Equipment	491	466	411	453	453	453	369	369	370	
<b>Transport Assets</b>	<b>3,344</b>	<b>3,515</b>	<b>2,715</b>	<b>2,973</b>	<b>2,973</b>	<b>2,973</b>	<b>2,599</b>	<b>2,744</b>	<b>2,912</b>	
Transport Assets	3,344	3,515	2,715	2,973	2,973	2,973	2,599	2,744	2,912	
<b>Total Depreciation</b>	<b>1</b>	<b>48,972</b>	<b>43,683</b>	<b>43,907</b>	<b>42,648</b>	<b>42,648</b>	<b>42,648</b>	<b>49,900</b>	<b>51,397</b>	<b>55,548</b>

## Capital expenditure on the upgrading of existing assets by assets class

EC105 Ndlambe - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class										
Description	###	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
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		<b>67,635</b>	<b>79,522</b>	<b>100,427</b>	<b>53,834</b>	<b>72,257</b>	<b>72,257</b>	<b>24,928</b>	<b>14,701</b>	<b>31,968</b>
Roads Infrastructure		15,832	17,017	34,150	44,567	50,660	50,660	10,753	-	21,226
Roads		15,832	17,017	34,150	44,567	50,660	50,660	10,753	-	21,226
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	2,527	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	1,887	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	640	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		14,073	17,104	15,305	4,348	2,590	2,590	6,513	8,418	6,699
Dams and Weirs		667	-	-	-	-	-	600	568	591
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	735	772
Pump Stations		-	-	-	-	-	-	565	848	891
Water Treatment Works		7,129	17,104	15,305	4,348	2,590	2,590	4,348	5,217	3,343
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		6,277	-	-	-	-	-	1,000	1,050	1,103
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		37,731	45,400	50,972	4,919	19,007	19,007	5,135	6,282	4,044
Pump Station		34,993	42,186	28,708	4,919	10,492	10,492	5,135	6,282	4,044
Reticulation		2,738	3,214	22,264	-	8,514	8,514	-	-	-

<b>Community Assets</b>		<b>485</b>	<b>9,186</b>	<b>859</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>783</b>	<b>-</b>	<b>-</b>
Community Facilities		281	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		281	-	-	-	-	-	-	-	-
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		204	9,186	859	-	-	-	783	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		204	9,186	859	-	-	-	783	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		<b>270</b>	<b>702</b>	<b>484</b>	<b>30</b>	<b>369</b>	<b>369</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		270	702	484	30	369	369	-	-	-
Municipal Offices		270	702	484	30	369	369	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on upgrading of existing assets</b>	<b>1</b>	<b>68,390</b>	<b>89,409</b>	<b>101,769</b>	<b>53,864</b>	<b>72,626</b>	<b>72,626</b>	<b>25,710</b>	<b>14,701</b>	<b>31,968</b>
<b>Upgrading of Existing Assets as % of total capex</b>		<b>50.5%</b>	<b>74.0%</b>	<b>60.1%</b>	<b>34.0%</b>	<b>31.2%</b>	<b>31.2%</b>	<b>30.4%</b>	<b>23.6%</b>	<b>49.0%</b>
<b>Upgrading of Existing Assets as % of deprechn"</b>		<b>139.7%</b>	<b>204.7%</b>	<b>231.8%</b>	<b>126.3%</b>	<b>170.3%</b>	<b>170.3%</b>	<b>51.5%</b>	<b>28.6%</b>	<b>57.5%</b>

#### 4.5 LEGISLATION COMPLIANCE STATUS

The Ndlambe Municipal Councilors and staff are committed to comply fully with all legislation impacting on local government. Section 195(1) of the Constitution sets the basic values and principles that local government must adhere to. To comply fully with all legislation, the municipality must also adhere to circulars issued in line with the legislation and all regulations promulgated to give effect to certain legislation.

The main pieces of legislation that Ndlambe Municipality needs to comply with are.

- The Constitution of the Republic of South Africa
- Local Government: Municipal Structures Act, Act 117 of 1998 with all amendments to date
- Local Government: Municipal Systems Act, Act 32 of 2000 with all amendments to date
- Local Government: Municipal Finance Management Act, Act 56 of 2004 with all amendments to date
- Local Government: Property Rates Act, Act 6 of 2004 with all amendments to date
- Electricity Act of 1987
- Labour Relations Act of 1995
- Financial and Fiscal Commission Act of 1997
- Intergovernmental Fiscal Relations Act of 1997
- Water Services Act of 1997
- Municipal Demarcation Act of 1998
- National Environmental Management Act of 1998
- Remuneration of Political Office Bearers Act of 1998
- Skills Development Act
- Preferential Procurement Policy Framework Act of 2000
- Intergovernmental Relations Framework Act of 2005
- Division of Revenue Act

Circulars and regulations are published from time to time to give effect to the stipulations of the legislation and these also need to be complied with. Certain circulars are however only to be complied with if adopted by Council.

At present the Ndlambe Municipality does not comply with all the existing legislation and the aim is to ensure that by the end of the 2026/2027 financial year all legislation is complied with. This matter has been pointed out in the report of the Auditor-General for the prior years and is in the process of been addressed.

#### 4.6 SERVICE DELIVERY STANDARDS

The report on service delivery standards is an initiative by Ndlambe Municipality to make a commitment to the community and advise the community on the service delivery that they can expect from the municipality from the budget that is available. By documenting service delivery standards, the community will have realistic expectations about the nature of the services being delivered. The community will know how often a service will be provided, how long it will take to receive a service, what level of service can be expected, how much the service will cost and be able to monitor performance against the set standards. It must be mentioned that the service delivery standards represent an ideal service to be provided, the aging infrastructure and fleet are key mechanisms to deliver the promised standards. In the event of failure by these mechanisms, Ndlambe municipality will communicate with the community while finding alternatives to minimize service interruption.

#### EC105 Final Schedule of Service Delivery Standards 2026/2027

<b>EC105 (Ndlambe Local Municipality) Schedule of Service Delivery Standards 2026/2027</b>	
<b>Description</b>	
<b>Standard</b>	<b>2026/2027 Service Level</b>
<b>Solid Waste Removal</b>	
Premise based removal (Residential Frequency)	Once a week
Premise based removal (Business Frequency)	Twice a week
Bulk Removal (Frequency)	Once a week
Removal Bags provided(Yes/No)	No
Garden refuse removal Included (Yes/No)	Yes (limit to 2 bags)
Street Cleaning Frequency in CBD	Daily
Street Cleaning Frequency in areas excluding CBD	Weekly
How soon are public areas cleaned after events (24hours/48hours/longer)	Within 24hrs (by organizer and exceptions by municipality)
Clearing of illegal dumping (24hours/48hours/longer)	Longer
Recycling or environmentally friendly practices(Yes/No)	Yes (privately run; Blue Flag beaches & recreational nodes polytime benches, bins and disabled access ramp)
Licensed landfill site(Yes/No)	Yes
<b>Water Service</b>	
Water Quality rating (Blue/Green/Brown/NO drop)	Blue Drop
Is free water available to all? (All/only to the indigent consumers)	Only indigents
Frequency of meter reading? (per month, per year)	Monthly
Are estimated consumption calculated on actual consumption over (two months'/three month's/longer period)	Averages based on past 6 months
On average, how long does the municipality use estimates before reverting to actual readings? (months)	Average only if access to meter is restricted
<b>Duration (hours) before availability of water is restored in cases of service interruption (complete the sub questions)</b>	
One service connection affected (number of hours)	( 25mm HDPE) 45 minutes
Up to 5 service connections affected (number of hours)	(50mm PVC) at least 2 hours
Up to 20 service connections affected (number of hours)	(75mm pvc) 2 and half up to 2 hours

Feeder pipe larger than 800mm (number of hours)	(350mm) on the PVC pipe it takes at least 8 hours
What is the average minimum water flow in your municipality?	Residential 2 bars
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	No
How long does it take to replace faulty water meters? (days)	Bulk meters 10 days Residential 4 days
Do you have a cathodic protection system in place that is operational at this stage? (Yes/No)	No
<b>Electricity Service</b>	
What is your electricity availability percentage on average per month?	98% excluding loadshedding
Do your municipality have a ripple control in place that is operational? (Yes/No)	Yes
How much do you estimate the cost saving in utilizing the ripple control system?	1 MEGA WATT
What is the frequency of meters being read? (per month, per year)	Monthly
Are estimated consumption calculated at consumption over (two months'/three month's/longer period)	Averages based on past 6 months
On average, how long does the municipality use estimates before reverting back to actual readings? (months)	Average only if access to meter is restricted
Duration before availability of electricity is restored in cases of breakages (immediately/one day/two days/longer)	Immediately
Are accounts normally calculated on actual readings? (Yes/no)	Yes
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	No
How long does it take to replace faulty meters? (days)	2 hrs
Do you have a plan to prevent illegal connections and prevent electricity theft? (Yes/No)	Yes
How effective is the action plan in curbing line losses? (Good/Bad)	Good, below the norm
How soon does the municipality provide a quotation to a customer upon a written request? (days)	6 hrs
How long does the municipality take to provide electricity service where existing infrastructure can be used? (working days)	7 Days
How long does the municipality take to provide electricity service for low voltage users where network extension is not required? (working days)	2 Weeks
How long does the municipality take to provide electricity service for high voltage users where network extension is not required. (working days)	1 Month
<b>Sewerage Service</b>	

Is your purification system effective enough to put water back into the system after purification?	Yes
To what extent do you subsidize your indigent consumers?	100% on Rates and availabilities. Water 6kl and Electricity 50 kwh
<b>How long does it take to restore sewerage breakages on average</b>	
Severe overflow? (hours)	Within 24 hours
Sewer blocked pipes: Large pipes? (Hours)	Less than 6 hours
Sewer blocked pipes: Small pipes? (Hours)	At least 2 hours
Spillage clean-up? (hours)	At least 2 hours
Replacement of manhole covers. (Hours)	24 hours
<b>Road Infrastructure Services</b>	
Time taken to repair a single pothole on a major road. (Hours)	1 and half hours, even less depending on the size.
Time taken to repair a single pothole on a minor road. (Hours)	1 hour, even less depending on the size.
Time taken to repair a road following an open trench service crossing? (Hours)	8 Hours
Time taken to repair walkways. (Hours)	8 hours depending on the damage
<b>Property valuations</b>	
How long does it take on average from completion to the first account being issued? (one month/three months or longer)	one month
Do you have any special rating properties? (Yes/No)	Yes
<b>Financial Management</b>	
Is there any change in the situation of unauthorised and wasteful expenditure over time? (Decrease/Increase)	Decrease by 50%
Is the financial statement outsourcing? (Yes/No)	No
Are there Council adopted business process structuring the flow and management of documentation feeding to Trial Balance?	Process to be developed
How long does it take for a Tax/Invoice to be paid from the date it has been received?	30 Days from date received by finance
Is there advance planning from SCM unit linking all departmental plans quarterly and annually including for the next two to three years procurement plans?	Yes, Supply Chain co-ordinates the procurement plan for the current financial year and outer years will be incorporated in the future.
<b>Administration</b>	

Reaction time on enquiries and requests?	This varies from day to day also depending on the medium used.
Time to respond to a verbal customer enquiry or request? (working days)	Same day but not longer than 3 days
Time to respond to a written customer enquiry or request? (working days)	Same day but not longer than 3 days
Time to resolve a customer enquiry or request? (working days)	Same day but not longer than 3 days
What percentage of calls are not answered? (5%,10% or more)	Not recorded

How long does it take to respond to voice mails? (hours)	We do not use voice mails
Does the municipality have control over locked enquiries? (Yes/No)	Yes there is a system used by the Customer Relations Officer
Is there a reduction in the number of complaints or not? (Yes/No)	Yes
How long does it take to open an account to a new customer? (1 day/ 2 days/ a week or longer)	Same day but not longer than 3 days or as soon as the deeds office reflect the registration
How many times do SCM Unit, CFO's Unit and Technical unit sit to review and resolve SCM process delays other than normal monthly management meetings?	As and when required
<b>Community safety and licensing services</b>	
How long does it take to register a vehicle? (minutes)	15 minutes
How long does it take to renew a vehicle license? (minutes)	10 min
How long does it take to issue a duplicate registration certificate vehicle? (minutes)	10 min submit the application; DoT take 31 days maximum to return to Ndlambe Traffic department
How long does it take to de-register a vehicle? (minutes)	15 minutes
How long does it take to renew a driver's license? (minutes)	30 min
What is the average reaction time of the fire service to an incident? (minutes)	5 min (urban and residential subject to the distance the incident is in relation to where the fire station is situated ie 5min in Port Alfred as the Fire department otherwise longer pending the town)
What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)	Ndlambe does not have an ambulance service in its books, it's either private companies or Department of Health
What is the average reaction time of the ambulance service to an incident in the rural area? (minutes)	Ndlambe does not have an ambulance service on its books, it's either private companies or Department of Health
<b>Economic Development</b>	
Did your municipality participate in the Sub-National Doing Business Survey, and have the results been	No

analyses to design interventions to promote the ease of doing business in your municipality? (Yes/No)	
Does the municipality have a consolidated spatial view of its key business districts and the interventions required to unlock or promote economic growth in these areas, and is this information taken into account in the City's infrastructure planning – including the Built Environment Performance Plan? (Yes/No)	Yes
How many job opportunities have been created through the municipality's EPWP and/or Community Work Programme for the last financial year?	1705 through EPWP and 30 through Cwp

How many projects does the municipality drive to support small business growth and entrepreneurship?	190 Informal traders
How many economic development projects does the municipality drive?	13 SMME's
Does the municipality have an active partnership with academic institutions in the region in order to grow the local skills base? (Yes/No)	No
Does the municipality have an internship and/or apprenticeship programme to support skills development? (Yes/No)	Yes, Nelson Mandela Metro, Dept of Tourism
Does the municipality have active programmes to promote its business sectors and attract investments? (Yes/No)	Yes
Does the municipality have any incentive plans in place to create a conducive environment for economic development? (Yes/No)	No, municipality is heavily reliant on donor funding
<b>Other service delivery and communication</b>	
Is an information package handed to the new customer? (Yes/No)	No
Does the municipality have training or information sessions to inform the community? (Yes/No)	Yes through indigent registration and Mayoral Imbizo and Ward meetings
Are customers treated in a professional and human manner? (Yes/No)	Yes

## 4.7 MUNICIPAL MANAGERS' QUALITY CERTIFICATION



### QUALITY CERTIFICATE

I **Rolly Dumezweni**, Municipal Manager of **Ndlambe Municipality**, hereby certify that the budget and the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and the annual budget and supporting documentation are consistent with the Integrated Development Plan of the municipality.

**Rolly Dumezweni**

**Municipal Manager of Ndlambe Municipality (EC105)**

pp

MRS L MANELI-PAYI  
ACTING MUNICIPAL MANAGER

**25/05/2026**

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**DATE**