



## Medium Term Revenue and Expenditure Framework (MTREF)

### MTREF (DRAFT) BUDGET: 2026/2027 – 2028/2029

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
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30 MAR 2026

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# Glossary

**Adjustments Budgets** – Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.

**Allocations** – Money received from Provincial and National Treasury.

**Budget** – The financial plan of a municipality.

**Budget related policy** – Policy of a municipality affecting or affected by the budget.

**Capital Expenditure** – Spending on municipal assets such as land, buildings and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

**Cash Flow Statement** – A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short-term investments. Cash receipts and payments do not always coincide with budgeted revenue and expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month that the services or goods are received, even though it may not be paid in the same period.

**DORA** – Division of Revenue Act. The annual piece of legislation that indicate the allocations from National Government to Local Government.

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

**GDFI** - Gross Domestic Fixed Investment

**GFS** – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

**ICT** – Information Communication Technology

**IDP** – Integrated Development Plan. The main strategic planning document of a municipality.

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

**MBBR** - Municipal Budget Reporting Regulations

**MFMA** - Municipal Finance Management Act (No 53 of 2003). The principle piece of legislation relating to municipal financial management.

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**MTREF** – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level.

**ODM** – Overberg District Municipality

**Operating Expenditure** – Spending on the day-to-day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

**Rates** – Local Government tax based on assessed valuation of a property.

**TMA** – Total Municipal Account

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

**Strategic Objectives** – The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards achievement of these strategic objectives.

**Vote** – One of the main segments into which a budget is divided, usually at department level.

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# PART 1 – ANNUAL BUDGET

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30 MAR 2026

## 1. Mayors Report

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It is with great optimism that I present a balanced and funded budget for the 2026/2027 Medium Term Expenditure Framework to be tabled to Council for consideration.

In terms of Section 16(1) of the Municipal Financial Management Act (MFMA) a municipality must approve an Annual Budget before the start of the Financial Year. In terms of Sec 16(2) of the MFMA the Mayor of a municipality must table the budget at least 90 days before the start of the budget year to comply with Section 16(1) of the said Act.

Overberg District Municipality remains continuously challenged upholding a balanced and funded budget hence, ensuring financial sustainability for the future. The Budget steering committee engaged multiple times to review and considered various strategies proposed by the administration where drastic measures will ensure a positive shift by means of implementing revenue enhancement strategies and addressing operational expenditure concern areas.

As shown from the draft budget presented to Council, the municipality will realise a surplus budget outcome for the current financial year, as well as for the entire 3-year MTREF period. It must be emphasised that this will be challenging going forward unless drastic actions is implemented to address the revenue capacity of the district municipality.

Provincial and National Treasury are continuously reminded of the insufficient equitable share allocated to ODM, and that the standard of services the district municipality render depends upon sufficient funding allocated. With no actions from these role players, district municipalities such as Overberg District Municipality will not be financial sustainable over the long term. It is anticipated with the review of the equitable share formulation with the STATSA population outcomes as well as the review of the White Paper, that adequate allocation for services rendered by district municipalities will be considered. A major change anticipated will be the inclusion of additional subcomponents for fire and health community services in the revised equitable share formula.

For the foreseeable future until such reforms materialise, ODM have no choice but to generate own funds to meet its operating requirements. Some sources include the potential from



investment properties, maximizing own revenue sources by costing exercises to ensure correct billing for services rendered and ensuring optimal investment interests on surplus funds. This situation currently experience is on-going and not unique to the current period for the municipality. Initiatives throughout the period assisted the municipality to continue, however limited initiatives ensured sufficient sustainable long-term revenue for the municipality to fund its operating budget continuously.

The Capital projects of the municipality is funded through either borrowings or cash surpluses accumulated previously and limited to necessities. These funds are safeguarded in the CRR (Capital Replacement Reserve). Funding sources originated from selling or leasing of properties not used for service delivery in the municipality. The entire capital programme is limited to priority base projects, since the surpluses of the municipality are fenced for possible future barriers to curb operating deficits or unforeseen emergency expenditures, and increase spending on repairs and maintenance of assets as a substitute of allocations towards new capital projects.

The municipality is currently in sensitive position due to its financial constraints. Capital is required for growth and delivering optimal services. A lack of funding sources for capital will hamper service delivery, resulting in a slower and below standard service rendered.

The bulk revenue source for the municipality derives from Government Grants and Subsidies hence, limited revenue sources are available to explore in the municipal sphere as mandated functions. Drastic curbing on spending or alternative resources is a reality, and alternative grant dependency will have to increase and will be inevitable for sustainability if everything remains status quo. To avoid this, new revenue enhancement projects are being explored, and grant funding had been obtained for various feasibility studies. The Budget Steering committee also recommended various areas to explore for the municipality.

The municipality's employee costs amount to the largest operational expense, and the main expenditure concern, increasing significantly annually, which will not be sustainable in future.

The following key Macro-economic factors is also impacting the compilation of the municipal budgeting process significantly and can have dire consequences on the implementation of the municipal budget –

- **Department of Infrastructure (Roads function)** – The department is in the first phase of reviewing the Roads / ODM agency agreement. The current “status quo” is that the Roads



function will be performed by Provincial department from 1 April 2028. This in effect meant that the municipality was required to table a draft budget that exclude the Roads funding for the period 1 April 2028 onwards. This decision has a significant impact on the municipal sources and operations going forward. At this stage administration and council is monitoring the position.

- **Contingent Liability (AG) / Vat matter (SARS)** – The District municipality is currently in a dispute regarding the legal requirements relating to a Tax obligation for **OUTPUT VAT**. The outcome of a court case will have significant bearing on the municipal reserves if unfavourable.
- **Current US /Iraq war** – The ongoing conflict has a severe impact on municipal operations. The dependency of the municipal departments on the availability of diesel to perform functions is placing a huge risk on achieving annual targets. This risk is currently being managed by means of the business continuity functions performed by administration.

In conclusion it is evident that the outlook is not necessarily favourable however, the administration and Council is determined to continuously identify and investigate alternative initiatives and exploring new ideas to assist in alleviating the current situation and persistently do so until success is achieved. ODM will continue to do all that is possible to remain financially viable and will continue to engage with National and Provincial Government to seek alternate income generating strategies.

**Executive Mayor**  
**Alderman AE Franken**

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## 2. Resolutions

### MTREF BUDGET 2026/2027

The resolution tabled at Council for consideration upon approval of the draft budget is as follows:

#### RECOMMENDATION:

That Council approves the following:

That the **consolidated Draft budget of R325 633 653** consisting of an **Operating budget of R322 822 632** and a capital transfer amounting to **R2 799 000** resulting in a nett surplus of **R12 021** and a **Capital budget of R 28 474 100**, as set out in the draft Municipal Budget be adopted and approved by Council and that it constitutes the Budget of the Council for 2026/2027 financial year as well as the medium term (indicative) budgets for the 2027/2028 and 2028/2029 financial years.

1. That the Integrated Development Plan and related documents and any amendments thereto, be approved when tabled in alignment with the final budget.
2. That the tariffs as per tariff list be approved.
3. That all other matters prescribed in sections 17(1) (a-e); 17(2) and 17(3) (a-m) of the Municipal Finance Management Act are included in or accompany the budget document be approved.
4. That the **measurable performance objectives** for 2026/2027 for operating revenue by source and by vote be approved.
5. That the relevant budget related policies, as listed in Clause 7 of the Budget and Reporting Regulations were reviewed and tabled for approval
6. That the **draft MSCOA Road Map** be adopted as a supporting document to the budget

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### 3. Executive Summary

The Municipality's 2026/2027 Draft Consolidated budget amounts to:

#### DC3 Overberg - Table A1 Budget Summary

Description	2026/27 Medium Term Revenue & Expenditure Framework		
	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>R thousands</b>			
<b>Financial Performance</b>			
Total Revenue (excluding capital transfers and contributions)	322 835	297 829	195 595
Total Expenditure	322 823	297 687	195 518
<b>Surplus/(Deficit)</b>	<b>12</b>	<b>142</b>	<b>77</b>
Transfers and subsidies - capital (monetary allocations)	2 799	–	–
Transfers and subsidies - capital (in-kind)	–	–	–
<b>Surplus/(Deficit) for the year</b>	<b>2 811</b>	<b>142</b>	<b>77</b>
<b>Capital expenditure &amp; funds sources</b>			
Capital expenditure	28 474	4 180	3 850
Transfers recognised - capital	2 799	–	–
Borrowing	20 800	2 900	–
Internally generated funds	4 875	1 280	3 850
<b>Total sources of capital funds</b>	<b>28 474</b>	<b>4 180</b>	<b>3 850</b>

The MTREF Budget position projection will be as follows for next three years resulting in a funded **nett surplus budget of:**

- R12 021 (2026/27);
- R142 344 (2027/28); and
- R76 659 (2028/29).

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DC3 Overberg - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Current Year 2025/26		2026/27 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>R thousand</b>					
<b>Revenue</b>					
<b>Exchange Revenue</b>					
Service charges - Water	-	25	-	-	-
Service charges - Waste Water Management	150	900	990	1 059	1 133
Service charges - Waste Management	18 621	18 821	20 150	21 561	22 854
Sale of Goods and Rendering of Services	144 147	144 997	157 842	130 358	24 794
Agency services	13 951	13 951	14 606	11 360	-
Interest earned from Receivables	318	322	354	378	404
Interest earned from Current and Non Current Assets	9 202	9 202	9 500	9 500	9 500
Rental from Fixed Assets	16 165	16 165	17 777	19 541	20 906
Licence and permits	1 445	1 345	1 531	2 000	2 200
Operational Revenue	1 356	1 679	1 761	2 441	2 632
<b>Non-Exchange Revenue</b>					
Transfer and subsidies - Operational	98 798	100 599	97 224	97 931	102 770
Gains on disposal of Fixed and Intangible Assets	2 660	2 660	1 100	1 700	8 400
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>306 812</b>	<b>310 665</b>	<b>322 835</b>	<b>297 829</b>	<b>195 595</b>
<b>Expenditure</b>					
Employee related costs	173 064	172 253	185 039	177 066	123 572
Remuneration of councillors	7 136	7 136	7 423	7 905	8 419
Inventory consumed	44 121	45 059	46 455	35 077	4 400
Debt impairment	100	100	100	100	100
Depreciation, amortisation and impairment	3 697	3 670	4 850	4 850	4 850
Interest, Dividends and Rent on Land	1 427	1 427	1 447	1 436	1 219
Contracted services	35 245	38 669	34 759	31 308	26 632
Transfers and subsidies	1 000	895	1 000	799	-
Operational costs	40 976	41 407	41 750	39 146	26 326
<b>Total Expenditure</b>	<b>306 767</b>	<b>310 616</b>	<b>322 823</b>	<b>297 687</b>	<b>195 518</b>
<b>Surplus/(Deficit)</b>	<b>45</b>	<b>49</b>	<b>12</b>	<b>142</b>	<b>77</b>

### The 2026/2027 Budget approach

MFMA NT Budget Circular 134 of 2026 issued in March 2026 provided guidelines as follows:

A new approach called the Targeted and Responsible Savings (TARS) focussing on removing low priority or bad performing programmes from the budget to allocate the funding towards programmes outlined in the Medium-Term Development Plans (MTDP).

Removing inefficiencies, wasteful expenditure and focussing on streamlined allocations and effective allocations of resources assist in ensuring priority programmes are attended to.

Areas in the TARS programme include:

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- ▶ Spending reviews;
- ▶ Data driven approaches;
- ▶ Use of technology;
- ▶ Auditing ghost workers and payroll irregularities;
- ▶ Trade-offs on projects; and
- ▶ Looking at the wage bill

Other areas ODM focusses on for budget setting includes:

- ▶ **Maximising the revenue generation** of the municipal revenue base
- ▶ Setting **cost-reflective tariffs**
- ▶ **Credibility** of Revenue
- ▶ **Employee** related costs
- ▶ **Grant Funding and Management**
- ▶ **Funding Choices**
- ▶ **Unauthorised, Irregular , Fruitless and Wasteful Expenditure** reduction and implementation of consequence management

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**Tariff setting**

**Municipal inflation and cost reflective Increases (between 6% and 10%)** are proposed on all ODM tariffs except for the following: The majority of the municipality’s services are labour intensive, hence an increase in the wage bill of 6.25% for the period as per the bargaining council as well as the fuel and electricity price increases which is much higher than the projected inflation targets set by the reserve bank and STATSSA, the increase is justifiable.

**Regional Landfill site - Karwyderskraal**

- KWK Landfill site which tariffs are calculated in accordance with the cost tariff module to which the LM's agreed every year is fixed and agreed upon annually.

**Fire services agreements (Local municipalities)**

- Fire service contributions from Theewaterskloof LM, Cape Agulhas LM and Swellendam LM escalating according to costing performed and annual agreements and will be



reviewed in this upcoming year to align better to realistic expenditures incurred for rendering the service.

### Roads Agency function

- Roads Agency fee determined according to Memorandum of Agreement up until March 2028.

A summary on the **proposed tariff increases** include:

No	Category / Source	Average increase
1	Firefighting	6%
2	Additional	
3	Environmental - (Local municipalities: Cape Agulhas-, Theewaterskloof- and Overstrand- Municipality including private sector dumping)	cost reflective
4	Municipal Health	6%
5	Roads	6%
6	Waste at KWK	6%
7	Resorts (including leaseholders charges) <b>Note</b> - Leaseholder's chargers at the resorts adjustment to commence with the alignment with the MFMA guide of market related rent for rental properties, as well as municipal service costs e.g. water included in the lease amount	10%

Landfill tariffs: Due to the new cell development and other infrastructure projects the tariffs set for the landfill is preliminary and may still change towards the final budget since the loan for the Cell 5 A site, impacts the total operational and repayment cost.

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## Karwyderskraal landfill

TARIFF CATEGORY	UNIT	TARIFF DESCRIPTION	TARIFF	TARIFF	% INCREASE	TARIFF	TARIFF
			2025/2026 (VAT EXCLUSIVE)	2025/2026 (VAT INCLUSIVE)		2026/2027 (VAT EXCLUSIVE)	2026/2027 (VAT INCLUSIVE)
KARWYDERSKRAAL	Tonnage	Cost per tonne - dumping clean building rubble up to the size of a brick (cover material)	Free of charge	Free of charge	None	Free of charge	Free of charge
	Tonnage	Cost per tonne - Dumping of general Household waste - Private	R347.22	R399.30	0.00%	R347.22	R399.30
	Tonnage	Cost per Tonne-General Household Waste - All Municipalities	R152.54	R175.42	0.00%	R152.54	R175.42
	Tonnage	Cost per tonne - dumping building rubble (oversize/clean)	R134.85	R155.08	0.00%	R134.85	R155.08
	Tonnage	Cost per tonne - dumping contaminated builders rubble	R374.22	R430.36	0.00%	R374.22	R430.36
	Tonnage	Cost per tonne - rehabilitation contribution - municipalities	R24.65	R28.35	0.00%	R24.65	R28.35
	Per load	Composting blend	R541	R622.00	6.00%	R573	R659.32
	Per slip	Reprint of Weighbridge slip	R157	R180.00	6.00%	R166	R190.80
	Per certificate	Safe disposal certificate	n/a	n/a	new	R239.13	R275.00
	Tonnage	Carcass disposal	n/a	n/a	new	TBD (Tariff discussion)	TBD (Tariff discussion)
	Tonnage	Asbestos disposal	n/a	n/a	new	TBD (Tariff discussion)	TBD (Tariff discussion)
	Tonnage	Sewerage Sludge	n/a	n/a	new	TBD (Tariff discussion)	TBD (Tariff discussion)
	Tonnage	Chipped garden waste or fruit waste	n/a	n/a	new	TBD (Tariff discussion)	TBD (Tariff discussion)
	Tonnage	Tree stump disposal	n/a	n/a	new	R755.00	R755.00
	Tonnage	Chipping of Garden Waste	n/a	n/a	new	TBD (Tariff discussion)	TBD (Tariff discussion)

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### Fire service contributions

The Budget Steering Committee discussed the following at the meeting on 16 March 2026:

- Fire structural services, there will be an increase of cost involved to the B Municipalities going forward. That it be noted that the fee charged for the service rendered merely increase with inflation incrementally over the past few years, however the expansion and fully fledged service rendered is significantly more expensive. That the cost for these services to the B Municipalities, was re-calculated so that the tariff be cost reflective which the B's could compare if rendering the Fire Service themselves. (See table below how contributions will be phased in over 3 MTREF periods)
- Tariffs for these services for this financial year to be increased gradually in the outer years, aligning more to the actual costs, however still far apart from reality.

Annual cost	2025/26	2026/27	2027/28	2028/29
Reflected cost to local municipalities (TWK,CAM,SWD Muni's)	R21.6 m	R23.1 m	R24.7 m	R26.31
Current agreement (based on 6% projection)	R6.2 m	R6.6 m	R7 m	R 7.4 m
Proposed incremental alignment	R6.2 m	R10 m	R13.1 m	R15.9 m



Shortfall on service after incremental alignment		(R13.1m)	(R11.6m)	(R10.4m)
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**Operational Expenditure**


The MTREF Operational Expenditure over the next three years are projected as follows using the CPI Inflation indicators provided by National Treasury, expect where specific contract agreements exist with escalation clauses.

▶ **CPI Inflation forecast.**

2026/27	2027/28	2028/29
3.7%	3.3%	4.2%

Unfortunately, the municipal actual inflation is much higher than the predicted inflation targets projected by STATSA and the Reserve bank. Wage increases, fuel cost and municipal services and charges are much higher than the inflation targets, and unrealistic when performing budget planning.

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**Operational Expenditure: Current versus MTREF period 2026/2027-2028/2029:**

Vote Description	Current Year 2025/26		2026/27 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>R thousand</b>					
<b>Expenditure by Vote</b>					
<b>Vote 1 - Municipal Manager</b>	<b>17 772</b>	<b>17 839</b>	<b>17 694</b>	<b>19 230</b>	<b>20 273</b>
1.1 - Executive	2 074	2 141	2 374	2 514	2 664
1.2 - Executive Support	897	898	948	1 002	1 066
1.3 - Internal Audit	2 363	2 363	1 484	2 026	2 156
1.4 - Council Expenditure	8 711	8 701	8 981	9 582	10 151
1.5 - IDP & Communication	1 898	1 899	1 989	2 113	2 245
1.6 - Performance & Risk Management	1 830	1 838	1 919	1 993	1 993
<b>Vote 3 - Corporate Services</b>	<b>20 418</b>	<b>20 360</b>	<b>22 589</b>	<b>23 320</b>	<b>24 360</b>
3.1 - Executive	1 447	1 541	1 838	1 884	1 948
3.2 - Corporate Support	5 048	5 296	6 269	6 466	6 675
3.3 - Human Resources	5 939	6 646	6 576	6 771	7 167
3.4 - Committee, Records & Councillor Support	4 293	4 295	4 210	4 365	4 592
3.5 - Information Services	3 690	2 581	3 696	3 834	3 978
<b>Vote 4 - Finance</b>	<b>30 709</b>	<b>31 426</b>	<b>31 434</b>	<b>32 708</b>	<b>34 166</b>
4.1 - Executive	1 419	1 416	1 649	1 751	1 859
4.2 - Financial Support	490	494	531	565	601
4.3 - Financial Services	20 628	21 218	21 693	22 359	23 169
4.4 - Revenue	23	47	54	54	54
4.5 - Payroll en Banking	3 742	3 746	2 860	3 041	3 233
4.6 - Supply Chain Management	4 406	4 505	4 648	4 939	5 250
<b>Vote 5 - Community Services</b>	<b>237 868</b>	<b>240 991</b>	<b>251 106</b>	<b>222 429</b>	<b>116 719</b>
5.1 - Executive	1 420	1 424	1 690	1 792	1 900
5.2 - Community Services Support	136	136	108	111	114
5.3 - Municipal Health	23 806	24 575	22 204	23 491	24 878
5.4 - Comprehensive Health	182	189	182	194	207
5.5 - Enviromental Management	3 932	3 875	4 098	4 302	4 561
5.6 - Solid Waste	8 387	8 492	11 355	11 884	12 439
5.7 - Emergency Services	46 060	47 449	51 424	53 110	55 021
5.8 - LED, Tourism and Resorts	22 250	23 157	20 075	18 678	17 598
5.9 - Roads	131 694	131 694	139 970	108 867	-
<b>Total Expenditure by Vote</b>	<b>306 767</b>	<b>310 616</b>	<b>322 823</b>	<b>297 687</b>	<b>195 518</b>

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The MTREF Operational Revenue projection, including proposed tariff increases are projected as follows:

Vote Description	Current Year 2025/26		2026/27 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>R thousand</b>					
<b>Revenue by Vote</b>					
<b>Vote 1 - Municipal Manager</b>	<b>34 521</b>	<b>34 521</b>	<b>32 648</b>	<b>29 196</b>	<b>26 447</b>
1.4 - Council Expenditure	34 521	34 521	32 648	29 196	26 447
<b>Vote 3 - Corporate Services</b>	<b>47</b>	<b>240</b>	<b>541</b>	<b>548</b>	<b>556</b>
3.2 - Corporate Support	47	47	47	47	47
3.3 - Human Resources	-	194	494	501	509
<b>Vote 4 - Finance</b>	<b>79 673</b>	<b>81 993</b>	<b>80 347</b>	<b>81 703</b>	<b>84 189</b>
4.3 - Financial Services	79 546	81 861	80 216	81 572	84 058
4.4 - Revenue	90	94	94	94	94
4.5 - Payroll en Banking	37	37	37	37	37
<b>Vote 5 - Community Services</b>	<b>193 072</b>	<b>194 860</b>	<b>212 099</b>	<b>186 382</b>	<b>84 402</b>
5.3 - Municipal Health	4 407	4 307	4 537	5 309	5 706
5.4 - Comprehensive Health	193	193	182	194	207
5.5 - Enviromental Management	138	138	138	219	245
5.6 - Solid Waste	18 621	18 821	20 150	21 561	22 854
5.7 - Emergency Services	14 223	14 573	19 538	21 893	25 067
5.8 - LED, Tourism and Resorts	23 795	25 133	27 583	28 339	30 323
5.9 - Roads	131 694	131 694	139 970	108 867	-
<b>Total Revenue by Vote</b>	<b>307 312</b>	<b>311 613</b>	<b>325 634</b>	<b>297 829</b>	<b>195 595</b>

### Equitable Share

The equitable share allocation will increase as follows over the medium term; however, the increases are not in alignment with actual expenditure and inflation projections for the period under review..

Period allocation	2026/27	2027/28	2028/29
Equitable share	R89,652,000	R91,575 000	R95,991,000

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DORA allocation: Equitable share directed to specific services and additional grants allocated.

Analysis of E/Share	2026/27	2027/28	2027/28
Institutional component	R 16 942 123.00	R 16 135 748.00	R 18 047 072.00
Municipal Health	R 2 994 799.00	R 3 058 888.00	R 3 205 714.00
Fire and Disaster	R 6 789 078.00	R 6 943 364.00	R 7 267 214.00
RSC Levy	R 62 926 000.00	R 65 437 000.00	R 67 471 000.00
<b>Equitable Share</b>	<b>R 89 652 000.00</b>	<b>R 91 575 000.00</b>	<b>R 95 991 000.00</b>
RRAMS	R 3 232 000.00	R 3 361 000.00	R 3 465 000.00
FMG	R 1 200 000.00	R 1 300 000.00	R 1 500 000.00
EPWP	R 1 534 000.00	R -	R -
<b>TOTAL DORA ALLOCATION</b>	<b>R 95 618 000.00</b>	<b>R 96 236 000.00</b>	<b>R 100 956 000.00</b>

The equitable share distribution only increased with a concerned 1.5% from the 2025/2026 (R88 359 000) financial year. This causes a lot of risk for the municipality and raise concern for the sustainability in rendering services going forward.

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### MTREF Revenue and Expenditure

Total operating revenue and expenditure **impact**, breakdown from the current financial year's latest adjustment budget (2025/2026) to the draft budget (2026/2027) per source:

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- Revenue

Revenue by Source	Adjustment Budget 2025/26	Original Budget 2026/27	% Change
Service charges - Water	R 25 000.00	R -	-100.00%
Service charges - Waste Water Management	R 900 000.00	R 990 000.00	10.00%
Service charges - Waste Management	R 18 821 064.00	R 20 150 321.00	7.06%
Sales of Goods and Rendering of Services	R 144 997 420.00	R 157 841 945.00	8.86%
Agency services	R 13 950 699.00	R 14 605 528.00	4.69%
Interest earned from Receivables	R 322 000.00	R 353 800.00	9.88%
Interest earned from Current and Non Current Assets	R 9 202 000.00	R 9 500 000.00	3.24%
Rental from Fixed Assets	R 16 164 520.00	R 17 777 000.00	9.98%
Licences or Permits	R 1 344 500.00	R 1 531 170.00	13.88%
Operational Revenue	R 1 678 761.00	R 1 760 889.00	4.89%
Transfer and subsidies - Operational	R 100 599 341.00	R 97 224 000.00	-3.36%
Transfers and subsidies - Capital (monetary allocations)	R 947 983.00	R 2 799 000.00	195.26%
Gains on disposal of Fixed and Intangible Assets	R 2 660 000.00	R 1 100 000.00	-58.65%
	<b>R 311 613 288.00</b>	<b>R 325 633 653.00</b>	<b>4.50%</b>



Primary Operating Budget revenue- and expenditure categories reflect the following. The year- on-year revenue budget value increased with 4.5% (estimated 2026/27 vs. adjusted 2025/2026 budget): The majority in the increase is due to own revenue ,since the insignificant equitable share increase is not realistic to continue functioning normally.

- Expenditure

Expenditure by Type	Adjustment Budget 2025/26	Original Budget 2026/27	% Change
Employee related costs	R 172 252 525.00	R 185 038 633.00	7.42%
Remuneration of councillors	R 7 136 333.00	R 7 422 516.00	4.01%
Inventory consumed	R 45 059 237.00	R 46 454 771.00	3.10%
Debt impairment	R 100 000.00	R 100 000.00	0.00%
Depreciation, amortisation and impairment	R 3 669 786.00	R 4 850 000.00	32.16%
Interest, Dividends and Rent on Land	R 1 427 236.00	R 1 447 236.00	1.40%
Contracted services	R 38 668 998.00	R 34 759 370.00	-10.11%
Transfers and subsidies	R 895 000.00	R 1 000 000.00	11.73%
Operational cost	R 41 407 143.00	R 41 750 106.00	0.83%
	<b>R 310 616 258.00</b>	<b>R 322 822 632.00</b>	<b>3.93%</b>

The year- on-year revenue budget value increased with 3.93% (estimated 2026/27 vs. adjusted 2025/2026 budget): The majority in the increase is due to the employee and remuneration related cost.

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## Budget position – ODM (Excluding Roads Agency)

### SUMMARY INCOME & EXPENDITURE 2026/2027 MTREF EXCLUDING ROADS AGENCY

Revenue by Source	Original Budget 2025/26	Adjustment Budget 2025/26	Original Budget 2026/27	Original Budget 2027/28	Original Budget 2028/29
Service charges - Water	R -	R 25 000.00	R -	R -	R -
Service charges - Waste Water Management	R 150 000.00	R 900 000.00	R 990 000.00	R 1 059 300.00	R 1 133 451.00
Service charges - Waste Management	R 18 621 064.00	R 18 821 064.00	R 20 150 321.00	R 21 560 844.00	R 22 854 495.00
Sales of Goods and Rendering of Services	R 12 453 224.00	R 13 303 224.00	R 17 872 302.00	R 21 491 685.00	R 24 794 464.00
Agency services	R 13 950 699.00	R 13 950 699.00	R 14 605 528.00	R 11 359 985.00	R -
Interest earned from Receivables	R 318 000.00	R 322 000.00	R 353 800.00	R 378 286.00	R 404 486.00
Interest earned from Current and Non Current Assets	R 9 202 000.00	R 9 202 000.00	R 9 500 000.00	R 9 500 000.00	R 9 500 000.00
Rental from Fixed Assets	R 16 164 520.00	R 16 164 520.00	R 17 777 000.00	R 19 540 960.00	R 20 905 678.00
Licences or Permits	R 1 444 500.00	R 1 344 500.00	R 1 531 170.00	R 2 000 000.00	R 2 200 000.00
Operational Revenue	R 1 355 698.50	R 1 678 761.00	R 1 760 889.00	R 2 440 664.00	R 2 632 129.00
Transfer and subsidies - Operational	R 98 798 000.00	R 100 599 341.00	R 97 224 000.00	R 97 931 000.00	R 102 769 825.00
Transfers and subsidies - Capital (monetary allocations)	R 500 000.00	R 947 983.00	R 2 799 000.00	R -	R -
Gains on disposal of Fixed and Intangible Assets	R 2 660 000.00	R 2 660 000.00	R 1 100 000.00	R 1 700 000.00	R 8 400 000.00
	<b>R 175 617 705.50</b>	<b>R 179 919 092.00</b>	<b>R 185 664 010.00</b>	<b>R 188 962 724.00</b>	<b>R 195 594 528.00</b>

Expenditure by Type	Original Budget 2025/26	Adjustment Budget 2025/26	Original Budget 2026/27	Original Budget 2027/28	Original Budget 2028/29
Employee related costs	R 101 395 626.00	R 101 549 525.00	R 108 805 633.00	R 116 175 027.00	R 123 571 563.00
Remuneration of councillors	R 7 136 333.00	R 7 136 333.00	R 7 422 516.00	R 7 904 986.00	R 8 418 816.00
Inventory consumed	R 4 460 220.00	R 4 393 041.00	R 4 244 771.00	R 4 320 345.00	R 4 400 203.00
Debt impairment	R 100 000.00	R 100 000.00	R 100 000.00	R 100 000.00	R 100 000.00
Depreciation, amortisation and impairment	R 3 696 786.00	R 3 669 786.00	R 4 727 000.00	R 4 727 000.00	R 4 850 000.00
Interest, Dividends and Rent on Land	R 1 097 236.00	R 1 097 236.00	R 1 097 236.00	R 1 156 398.00	R 1 218 776.00
Contracted services	R 30 565 300.00	R 33 963 998.00	R 29 406 227.00	R 27 032 540.00	R 26 632 302.00
Transfers and subsidies	R -	R -	R -	R -	R -
Operational cost	R 26 621 295.50	R 27 012 143.00	R 27 049 606.00	R 27 404 084.00	R 26 326 209.00
	<b>R 175 072 796.50</b>	<b>R 178 922 062.00</b>	<b>R 182 852 989.00</b>	<b>R 188 820 380.00</b>	<b>R 195 517 869.00</b>

Surplus/(Deficit)	R 544 909.00	R 997 030.00	R 2 811 021.00	R 142 344.00	R 76 659.00
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## Budget position – Roads Agency

### SUMMARY INCOME & EXPENDITURE 2026/2027 MTREF ROADS AGENCY

Revenue by Source	Original Budget 2025/26	Adjustment Budget 2025/26	Original Budget 2026/27	Original Budget 2027/28	Original Budget 2028/29
Sales of Goods and Rendering of Services	R 131 694 196.00	R 131 694 196.00	R 139 969 643.00	R 108 866 518.00	R -
	<b>R 131 694 196.00</b>	<b>R 131 694 196.00</b>	<b>R 139 969 643.00</b>	<b>R 108 866 518.00</b>	<b>R -</b>

Expenditure by Type	Original Budget 2025/26	Adjustment Budget 2025/26	Original Budget 2026/27	Original Budget 2027/28	Original Budget 2028/29
Employee related costs	R 71 668 000.00	R 70 703 000.00	R 76 233 000.00	R 60 891 118.00	R -
Remuneration of councillors	R -	R -	R -	R -	R -
Inventory consumed	R 39 661 196.00	R 40 666 196.00	R 42 210 000.00	R 30 756 235.00	R -
Debt impairment	R -	R -	R -	R -	R -
Depreciation, amortisation and impairment	R -	R -	R 123 000.00	R 123 000.00	R -
Interest, Dividends and Rent on Land	R 330 000.00	R 330 000.00	R 350 000.00	R 279 563.00	R -
Contracted services	R 4 680 000.00	R 4 705 000.00	R 5 353 143.00	R 4 275 825.00	R -
Transfers and subsidies	R 1 000 000.00	R 895 000.00	R 1 000 000.00	R 798 750.00	R -
Operational cost	R 14 355 000.00	R 14 395 000.00	R 14 700 500.00	R 11 742 027.00	R -
	<b>R 131 694 196.00</b>	<b>R 131 694 196.00</b>	<b>R 139 969 643.00</b>	<b>R 108 866 518.00</b>	<b>R -</b>

Surplus/(Deficit)	R -	R -	R -	R -	R -
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## Operating per department (Revenue)

Movement in % of budget (2025/2026 vs 2026/2027)

COST CODE	DIRECTORATE	DEPARTMENT	ORIGINAL BUDGET 2025/26	ADJUSTMENT BUDGET 2025/26	ORIGINAL BUDGET 2026/27	% Change
3003	MUNICIPAL MANAGER	Council Expenditure	34 520 500.00	34 520 500.00	32 647 651.00	-5%
<b>Sub-Total</b>			<b>34 520 500.00</b>	<b>34 520 500.00</b>	<b>32 647 651.00</b>	<b>-5%</b>
4001	CORPORATE SERVICES	Corporate Support	46 874.00	46 874.00	47 000.00	0%
4002	CORPORATE SERVICES	Human Resources	-	193 597.00	493 597.00	155%
<b>Sub-Total</b>			<b>46 874.00</b>	<b>240 471.00</b>	<b>540 597.00</b>	<b>125%</b>
5002	FINANCE	Financial Services	79 545 690.00	81 413 496.00	78 715 602.00	-3%
5003	FINANCE	Revenue	90 100.00	94 100.00	94 100.00	0%
5004	FINANCE	Expenditure	37 100.00	37 100.00	37 100.00	0%
<b>Sub-Total</b>			<b>79 672 890.00</b>	<b>81 544 696.00</b>	<b>78 846 802.00</b>	<b>-3%</b>
6002	COMMUNITY SERVICES	Municipal Health	4 406 804.00	4 306 804.00	4 537 205.00	5%
6003	COMMUNITY SERVICES	Comprehensive Health	193 273.00	193 273.00	182 128.00	-6%
6004	COMMUNITY SERVICES	Environmental Management	137 800.00	137 800.00	137 800.00	0%
6005	COMMUNITY SERVICES	Solid Waste	18 621 064.00	18 821 064.00	20 150 321.00	7%
6006	COMMUNITY SERVICES	Emergency Services	13 723 204.00	14 073 204.00	18 239 078.00	30%
6007	COMMUNITY SERVICES	Led, Tourism and Resorts	23 795 296.50	25 133 297.00	27 583 428.00	10%
6008	COMMUNITY SERVICES	Roads Function	131 694 196.00	131 694 196.00	139 969 643.00	6%
<b>Sub-Total</b>			<b>192 571 637.50</b>	<b>194 359 638.00</b>	<b>210 799 603.00</b>	<b>8%</b>
<b>TOTAL REVENUE (EXCLUDING CAPITAL GRANTS)</b>			<b>306 811 901.50</b>	<b>310 665 305.00</b>	<b>322 834 653.00</b>	<b>4%</b>
<b>CAPITAL GRANTS</b>			<b>500 000.00</b>	<b>947 983.00</b>	<b>2 799 000.00</b>	<b>195%</b>
<b>TOTAL REVENUE (INCLUDING CAPITAL GRANTS)</b>			<b>307 311 901.50</b>	<b>311 613 288.00</b>	<b>325 633 653.00</b>	<b>4%</b>

## Operating per department (Expenditure)

Movement in % of budget (2025/2026 vs 2026/2027)

COST CODE	DIRECTORATE	DEPARTMENT	ORIGINAL BUDGET 2025/26	ADJUSTMENT BUDGET 2025/26	ORIGINAL BUDGET 2026/27	%Change
3000	MUNICIPAL MANAGER	Executive (Municipal Manager)	2 074 492.00	2 140 992.00	2 373 906.00	11%
3001	MUNICIPAL MANAGER	Executive Support	896 813.00	897 713.00	947 539.00	6%
3002	MUNICIPAL MANAGER	Internal Audit	2 362 532.00	2 362 532.00	1 484 083.00	-37%
3003	MUNICIPAL MANAGER	Council Expenditure	8 710 533.00	8 700 533.00	8 980 716.00	3%
3004	MUNICIPAL MANAGER	Icp & Communication	1 897 978.00	1 899 378.00	1 988 839.00	5%
3005	MUNICIPAL MANAGER	Performance & Risk Management	1 830 085.00	1 838 085.00	1 918 543.00	4%
<b>Sub-Total</b>			<b>17 772 433.00</b>	<b>17 839 233.00</b>	<b>17 693 626.00</b>	<b>-1%</b>
4000	CORPORATE SERVICES	Executive (Corporate Services)	1 447 439.00	1 541 389.00	1 837 782.00	19%
4001	CORPORATE SERVICES	Corporate Support	5 048 160.00	5 296 118.00	6 268 992.00	18%
4002	CORPORATE SERVICES	Human Resources	5 939 159.00	6 646 234.00	6 575 736.00	-1%
4003	CORPORATE SERVICES	Committee, Records & Councillor Support	4 292 985.00	4 294 985.00	4 210 477.00	-2%
4004	CORPORATE SERVICES	Information Services	3 690 250.00	2 581 368.00	3 696 300.00	43%
<b>Sub-Total</b>			<b>20 417 993.00</b>	<b>20 360 094.00</b>	<b>22 589 287.00</b>	<b>11%</b>
5000	FINANCE	Executive (Finance)	1 419 330.00	1 416 330.00	1 649 095.00	16%
5001	FINANCE	Financial Support	490 061.00	493 561.00	530 593.00	8%
5002	FINANCE	Financial Services	20 627 865.50	21 217 866.00	21 692 648.00	2%
5003	FINANCE	Revenue	23 000.00	47 000.00	54 000.00	15%
5004	FINANCE	Expenditure	3 742 200.00	3 745 700.00	2 859 690.00	-24%
5005	FINANCE	Supply Chain Management	4 406 176.00	4 505 176.00	4 647 788.00	3%
<b>Sub-Total</b>			<b>30 708 632.50</b>	<b>31 425 633.00</b>	<b>31 433 814.00</b>	<b>0%</b>
6000	COMMUNITY SERVICES	Executive (Community Services)	1 419 617.00	1 423 617.00	1 689 854.00	19%
6001	COMMUNITY SERVICES	Community Services Support	135 750.00	135 750.00	108 418.00	-20%
6002	COMMUNITY SERVICES	Municipal Health	23 806 403.00	24 574 568.00	22 204 143.00	-10%
6003	COMMUNITY SERVICES	Comprehensive Health	182 373.00	189 373.00	182 128.00	-4%
6004	COMMUNITY SERVICES	Environmental Management	3 932 260.00	3 875 060.00	4 097 829.00	6%
6005	COMMUNITY SERVICES	Solid Waste	8 387 462.00	8 492 462.00	11 355 208.00	34%
6006	COMMUNITY SERVICES	Emergency Services	46 060 296.00	47 449 195.00	51 424 122.00	8%
6007	COMMUNITY SERVICES	Led, Tourism, Resorts & Epwp	22 249 577.00	23 157 077.00	20 074 560.00	-13%
6008	COMMUNITY SERVICES	Roads Function	131 694 196.00	131 694 196.00	139 969 643.00	6%
<b>Sub-Total</b>			<b>237 867 934.00</b>	<b>240 991 298.00</b>	<b>251 105 905.00</b>	<b>4%</b>
<b>TOTAL OPERATING EXPENDITURE</b>			<b>306 766 992.50</b>	<b>310 616 258.00</b>	<b>322 822 632.00</b>	<b>4%</b>



**Employee Related Cost**

The South African Local Government Bargain Council Circular notice for 2024 on the annual increases in terms of the collective wage agreement was published for the next three years. Inflation according to the Budget Circular No 134 of 2026 ( March 2026) CPI for 2026 is projected at 3.4%.

In terms of the Upper limits for Senior Managers, a reviewed calculation and cost of living adjustment was published for the 2025/26 financial year and onwards.

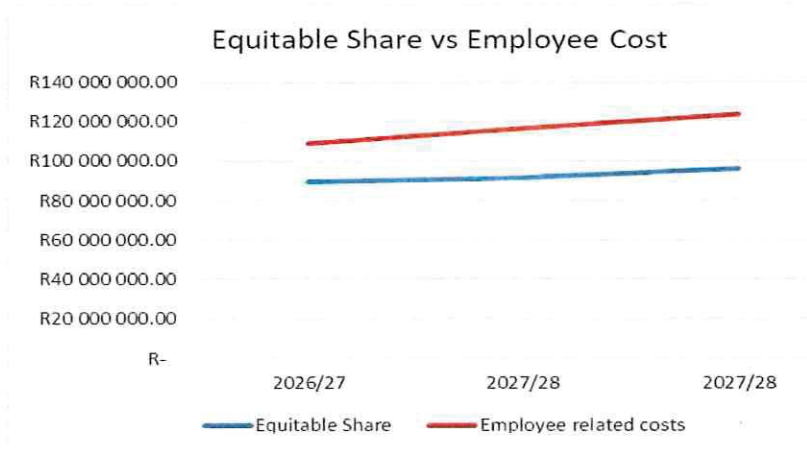
The effect on the Budget if 3.4% (NT-CPI 2026/2027) is considered (with the minimum as per the bargaining council 4%+0.75% for the 2026/27 financial year in addition to, a notch increase provision of 1.5% added. The accumulated amount (including only critical vacancies will result in a total cost of **R108 805 633** (excluding Roads Agency) and including a increase on the Sect 57 appointee’s employee cost. :

The Budget Steering committee consider the above and after assessing all the budget needs to provide for an efficient service delivery, a 1.5% adjustment for notch increases and medical contributions will be accommodated.

**Remuneration of Councillors**

National Treasury advised municipalities to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act and thus a increase on Councillors remuneration was provided.

A comparison between the combined ODM's Employee Cost and % increases and Equitable share allocation pictures a concerning future as illustrated below over the medium term:



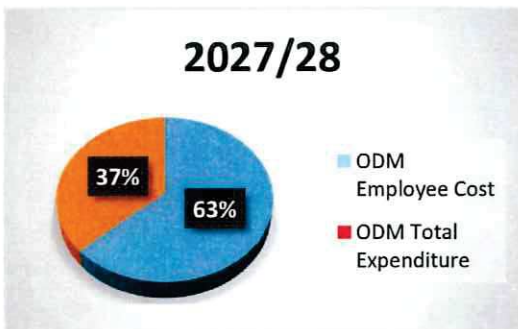
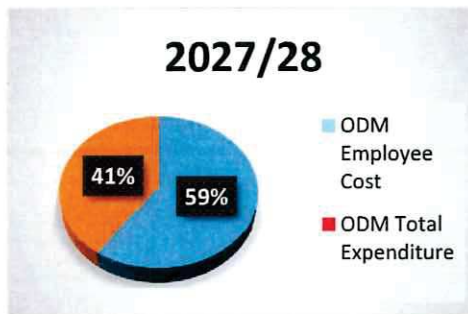
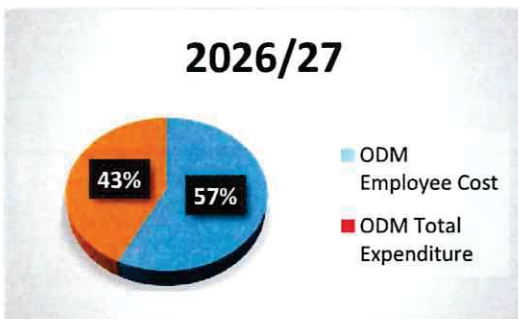
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As illustrated above, it is evident that the municipality cannot operate solely with the equitable share to pay remuneration commitments to staff, since the allocation is insufficient in this regard. Other own revenue sources and agency services assist in filling the shortage gap. Employee cost already accounts to 59% of the total revenue (excluding the roads agency, however including the agency service revenue. This gap is unfortunately growing bigger every year and causes great risk for the future sustainability.

**Employee cost projections:**

ODM total employee cost (including roads) versus expenditure ratio



**\*\*\*Note the 2027/28 financial year, the road's function is not included in the budget.**

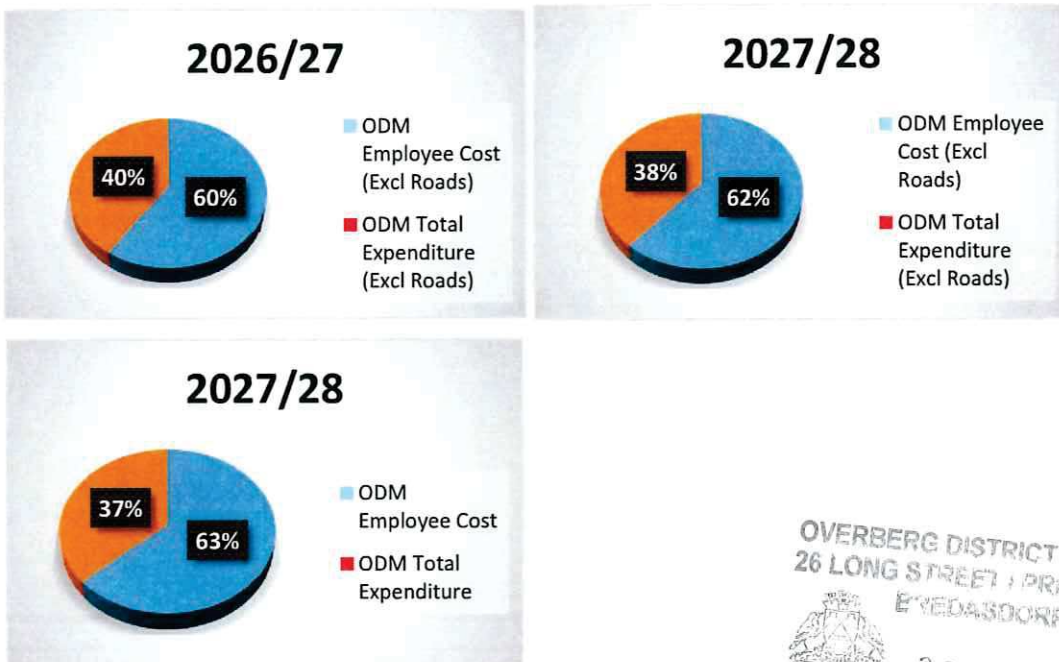
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ODM total employee cost (excluding roads) to total expenditure ratio



OVERBERG DISTRICT MUNICIPALITY  
 26 LONG STREET / PRIVATE BAG X22  
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**CAPITAL BUDGET**

The ODM funding and reserve policy determines as follows:

**6.6.2 FUNDING SOURCES FOR CAPITAL EXPENDITURE**

The capital budget can be funded by way of own contributions, grants, public contributions as well as external loans.

**Own Contributions**

The capital budget financed from own contributions must primarily be funded from the Capital Replacement Reserve.

Notwithstanding the above the capital budget or portions thereof may also be funded from surplus cash. The allocations of the funding sources from own contributions are determined during the budget process.

*As in the prior financial year a CRR will be utilised as a funding mechanism for Capital acquisitions. The landfill development project will be financed from borrowings. Some projects will be funded from grant funding.*



It was proposed that Capital projects be funded from this reserve and that at the end of each financial year, it be determine according to the AFS what amount is available to be transferred to commit to this purpose.

An amount of R6 912 487 was contributed to the CRR to the initial R21 000 000 reserve. In general gains from future sales of land are also to be transferred to the CRR which could be used to fund acquisition of further assets.

The Capital Programme over the 2026/2027-2028/2029 MTREF period will be funded as per table below.

Type	Funding Sources	BUDGET 2026/27	BUDGET2027/28	BUDGET 2028/29
CRR	Capital Replacement Reserve	R4 875 100	R1 130 000	R3 700 000
2	Revenue	R0	R0	R0
LOANS	External Loans	R20 800 000	R2 900 000	R0
GRANTS	Grants	R2 799 000	R0	R0
5	Private Contributions	R0	R0	R0
	<b>TOTAL</b>	<b>R28 474 100</b>	<b>R4 030 000</b>	<b>R3 700 000</b>

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Capital Projects for the 2026/2027-2028/2029 MTREF period is illustrated on the table below.

OVERBERG DISTRICT MUNICIPALITY - MULTI YEAR CAPITAL BUDGET FOR 2026/27 - 2028/29							
	UKEY Description1	Department	FUNDING TYPE	DESCRIPTION	BUDGET 2026/27	BUDGET 2027/28	BUDGET 2028/29
<b>DIRECTORATE: MUNICIPAL MANAGER OFFICE</b>							
<b>TOTAL</b>					<b>R0</b>	<b>R0</b>	<b>R0</b>
<b>DIRECTORATE: CORPORATE SERVICES</b>							
1		ICT SERVICES	CRR	DC3_Computers and Computer Equipment	450 000	400 000	700 000
2		ICT SERVICES	CRR	DC3_Network cable roll stand	13 000	-	-
3		ICT SERVICES	CRR	DC3_Alarm and cameras	200 000	-	-
<b>TOTAL</b>					<b>R663 000.00</b>	<b>R400 000.00</b>	<b>R700 000.00</b>
<b>DIRECTORATE: FINANCIAL SERVICES</b>							
<b>TOTAL</b>					<b>R0</b>	<b>R0</b>	<b>R0</b>
<b>DIRECTORATE: COMMUNITY SERVICES</b>							
4		EMERGENCY SERVICES	CRR	DC3_New Vehicle	2 000 000	-	2 500 000
5		EMERGENCY SERVICES	CRR	DC3_Refurbishing of vehicles	200 000	200 000	200 000
6		EMERGENCY SERVICES	CRR	DC3_Bunker Clothing	300 000	300 000	250 000
7		EMERGENCY SERVICES	CRR	DC3_Office Furniture and Appliances	30 000	30 000	30 000
8		EMERGENCY SERVICES	CRR	DC3_Rescue Equipment	150 000		
7		EMERGENCY SERVICES	GRANTS	DC3_Water Resilience Grant	1 500 000		
9		EMERGENCY SERVICES	GRANTS	DC3_Fire Capicity Grant	1 299 000		
<b>TOTAL</b>					<b>R5 479 000</b>	<b>R530 000</b>	<b>R2 980 000</b>
10		ENVIRONMENTAL MANAGEMENT	CRR	DC3_4x4 fitment of bullbar and winch	35 000		
11		ENVIRONMENTAL MANAGEMENT	CRR	DC3_Towbar	10 000		
12		ENVIRONMENTAL MANAGEMENT	CRR	DC3_Off road tire pump	3 000		
13		ENVIRONMENTAL MANAGEMENT	CRR	DC3_Measuring wheel	2 700		
14		ENVIRONMENTAL MANAGEMENT	CRR	DC3_Pollution / Alien clearing trailer	73 000		
<b>TOTAL</b>					<b>R123 700</b>	<b>R0</b>	<b>R0</b>
15		LED, TOURISM, RESORTS AND EPWP	CRR	DC3_Gas Conversion(Ablution x2)	180 000	180 000	
<b>TOTAL</b>					<b>R180 000</b>	<b>R180 000</b>	<b>R0</b>
16		MUNICIPAL HEALTH SERVICES	CRR	DC3_Furniture	30 000	20 000	20 000
17		MUNICIPAL HEALTH SERVICES	CRR	DC3_Building	1 198 400		
<b>TOTAL</b>					<b>R1 228 400</b>	<b>R20 000</b>	<b>R20 000</b>
18		SOLID WASTE MANAGEMENT	LOANS	DC3_Cell 5	R20 800 000	R2 900 000	
<b>TOTAL</b>					<b>R20 800 000</b>	<b>R2 900 000</b>	
<b>GRAND TOTAL</b>					<b>R28 474 100</b>	<b>R4 030 000</b>	<b>R3 700 000</b>

All projects are categorised per the directorate areas as tabled below. It is evident that the majority of the funding as well as the larger number of projects are focussed towards the service delivery department of the municipality, as per the strategic objectives.

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## 4. Budget Tables

The adjustment budget tables compiled in terms of the Municipal Budgeting and Reporting Regulations (MBRR) (Schedule B), are attached per annexure "A" and listed below:

**TABLE A1 – Budget Summary**

DC3 Overberg - 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	-	-	-	-	-	-	-	-	-	-
Service charges	11 589	15 748	18 738	18 771	19 746	19 746	19 746	21 140	22 620	23 988
Investment revenue	5 904	8 163	8 052	9 202	9 202	9 202	9 202	9 500	9 500	9 500
Transfer and subsidies - Operational	89 723	90 496	91 538	98 798	100 599	100 599	100 599	97 224	97 931	102 770
Other own revenue	160 881	169 114	181 314	180 041	181 118	181 118	181 118	194 970	167 778	59 337
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>268 097</b>	<b>283 521</b>	<b>299 642</b>	<b>306 812</b>	<b>310 665</b>	<b>310 665</b>	<b>310 665</b>	<b>322 835</b>	<b>297 829</b>	<b>195 595</b>
Employee costs	134 415	145 558	160 838	173 064	172 253	172 253	172 253	185 039	177 066	123 572
Remuneration of councillors	6 195	6 763	6 883	7 136	7 136	7 136	7 136	7 423	7 905	8 419
Depreciation, amortisation and impairment	4 005	4 497	5 909	3 697	3 670	3 670	3 670	4 850	4 850	4 850
Interest, Dividends and Rent on Land	3 006	2 255	1 918	1 427	1 427	1 427	1 427	1 447	1 436	1 219
Inventory consumed and bulk purchases	47 879	48 046	50 254	44 121	45 059	45 059	45 059	46 455	35 077	4 400
Transfers and subsidies	1 811	2 300	4 973	1 000	895	895	895	1 000	799	-
Other expenditure	58 823	59 230	69 356	76 322	80 176	80 176	80 176	76 609	70 554	53 059
<b>Total Expenditure</b>	<b>256 134</b>	<b>268 649</b>	<b>300 132</b>	<b>306 767</b>	<b>310 616</b>	<b>310 616</b>	<b>310 616</b>	<b>322 823</b>	<b>297 687</b>	<b>195 518</b>
<b>Surplus/(Deficit)</b>	<b>11 963</b>	<b>14 872</b>	<b>(490)</b>	<b>45</b>	<b>49</b>	<b>49</b>	<b>49</b>	<b>12</b>	<b>142</b>	<b>77</b>
Transfers and subsidies - capital (monetary allocations)	1 219	1 961	3 031	500	948	948	948	2 799	-	-
Transfers and subsidies - capital (in-kind)	85	17	3 099	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>13 267</b>	<b>16 850</b>	<b>5 640</b>	<b>545</b>	<b>997</b>	<b>997</b>	<b>997</b>	<b>2 811</b>	<b>142</b>	<b>77</b>
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>13 267</b>	<b>16 850</b>	<b>5 640</b>	<b>545</b>	<b>997</b>	<b>997</b>	<b>997</b>	<b>2 811</b>	<b>142</b>	<b>77</b>
<b>Capital expenditure &amp; funds sources</b>										
Capital expenditure	7 671	12 191	15 405	14 878	40 035	40 035	40 035	28 474	4 180	3 850
Transfers recognised - capital	1 219	1 961	3 031	500	948	948	948	2 799	-	-
Borrowing	367	4 487	265	9 200	33 500	33 500	33 500	20 800	2 900	-
Internally generated funds	6 085	5 742	12 109	5 178	5 587	5 587	5 587	4 875	1 280	3 850
<b>Total sources of capital funds</b>	<b>7 671</b>	<b>12 191</b>	<b>15 405</b>	<b>14 878</b>	<b>40 035</b>	<b>40 035</b>	<b>40 035</b>	<b>28 474</b>	<b>4 180</b>	<b>3 850</b>
<b>Financial position</b>										
Total current assets	98 400	92 116	93 523	78 921	85 531	85 531	85 531	83 252	87 664	87 395
Total non current assets	107 685	115 368	127 173	138 329	164 286	164 286	164 286	188 799	189 371	189 935
Total current liabilities	44 796	33 807	38 464	32 583	33 435	33 435	33 435	35 100	38 193	41 341
Total non current liabilities	61 074	56 611	59 527	63 289	92 679	92 679	92 679	110 438	112 186	109 257
Community wealth/Equity	100 215	117 066	122 705	121 378	123 703	123 703	126 514	126 514	126 656	126 733
<b>Cash flows</b>										
Net cash from (used) operating	44 783	6 917	16 824	2 140	1 241	1 241	1 241	8 887	6 796	(45)
Net cash from (used) investing	2 852	(11 902)	(10 878)	(12 218)	(37 375)	(37 375)	(37 375)	(28 474)	(4 180)	(3 850)
Net cash from (used) financing	(4 631)	(5 367)	(4 704)	2 099	27 899	27 899	27 899	16 205	(20)	(4 920)
<b>Cash/cash equivalents at the year end</b>	<b>87 936</b>	<b>77 584</b>	<b>78 826</b>	<b>64 346</b>	<b>70 590</b>	<b>70 590</b>	<b>70 590</b>	<b>67 208</b>	<b>69 804</b>	<b>60 989</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	87 936	77 584	78 826	64 346	70 590	70 590	70 590	67 208	69 804	60 989
Application of cash and investments	(7 702)	(17 520)	(22 896)	(25 439)	(26 701)	(26 701)	(26 701)	(30 802)	(33 274)	(46 310)
<b>Balance - surplus (shortfall)</b>	<b>95 638</b>	<b>95 104</b>	<b>101 722</b>	<b>89 785</b>	<b>97 292</b>	<b>97 292</b>	<b>97 292</b>	<b>98 011</b>	<b>103 078</b>	<b>107 300</b>
<b>Asset management</b>										
Asset register summary (WDV)	87 388	94 548	103 981	115 278	140 346	140 346	140 346	163 970	163 300	162 300
Depreciation	4 005	4 497	5 909	3 697	3 670	3 670	3 670	4 850	4 850	4 850
Renewal and Upgrading of Existing Assets	1 783	7 225	6 678	12 549	37 244	37 244	37 244	22 185	4 180	1 350
Repairs and Maintenance	8 933	4 997	5 708	10 262	9 259	9 259	9 259	10 456	10 565	10 881
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

# TABLE A2 – Budget Financial Performance (Standard Classification)

DC3 Overberg - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		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										
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		112 420	117 162	110 862	114 240	116 754	116 754	113 535	111 447	111 193
Executive and council		12 247	13 632	21 831	34 521	34 521	34 521	32 648	29 196	26 447
Finance and administration		100 173	103 530	89 031	79 720	82 233	82 233	80 887	82 252	84 746
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		25 645	27 493	39 538	42 619	44 207	44 207	51 841	55 735	61 302
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		18 889	21 241	22 666	23 795	25 133	25 133	27 583	28 339	30 323
Public safety		5 854	5 325	14 263	14 223	14 573	14 573	19 538	21 893	25 067
Housing		-	-	-	-	-	-	-	-	-
Health		902	926	2 609	4 600	4 500	4 500	4 719	5 503	5 912
<i>Economic and environmental services</i>		119 762	125 883	137 433	131 832	131 832	131 832	140 107	109 086	245
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		119 725	125 874	137 425	131 694	131 694	131 694	139 970	108 867	-
Environmental protection		37	10	8	138	138	138	138	219	245
<i>Trading services</i>		11 575	14 961	17 939	18 621	18 821	18 821	20 150	21 561	22 854
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		11 575	14 961	17 939	18 621	18 821	18 821	20 150	21 561	22 854
Other	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	<b>269 482</b>	<b>285 500</b>	<b>305 772</b>	<b>307 312</b>	<b>311 613</b>	<b>311 613</b>	<b>325 634</b>	<b>297 829</b>	<b>195 595</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		55 769	58 260	68 152	68 556	69 285	69 285	71 526	75 048	78 588
Executive and council		10 438	11 273	11 311	11 682	11 739	11 739	12 302	13 098	13 880
Finance and administration		43 736	45 250	54 914	54 512	55 183	55 183	57 740	59 924	62 533
Internal audit		1 595	1 737	1 926	2 363	2 363	2 363	1 484	2 026	2 156
<i>Community and public safety</i>		71 825	76 033	85 349	92 299	95 370	95 370	93 885	95 473	97 704
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		16 601	17 227	21 191	22 250	23 157	23 157	20 075	18 678	17 598
Public safety		37 740	40 713	45 079	46 060	47 449	47 449	51 424	53 110	55 021
Housing		-	-	-	-	-	-	-	-	-
Health		17 484	18 094	19 080	23 989	24 764	24 764	22 386	23 685	25 084
<i>Economic and environmental services</i>		119 257	125 424	137 093	137 524	137 469	137 469	146 056	115 281	6 806
Planning and development		1 415	1 588	1 774	1 898	1 899	1 899	1 989	2 113	2 245
Road transport		114 791	120 627	131 880	131 694	131 694	131 694	139 970	108 867	-
Environmental protection		3 051	3 210	3 439	3 932	3 875	3 875	4 098	4 302	4 561
<i>Trading services</i>		9 283	8 932	9 538	8 387	8 492	8 492	11 355	11 884	12 439
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		9 283	8 932	9 538	8 387	8 492	8 492	11 355	11 884	12 439
Other	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	<b>256 134</b>	<b>268 649</b>	<b>300 132</b>	<b>306 767</b>	<b>310 616</b>	<b>310 616</b>	<b>322 823</b>	<b>297 687</b>	<b>195 518</b>
<b>Surplus/(Deficit) for the year</b>		<b>13 267</b>	<b>16 850</b>	<b>5 640</b>	<b>545</b>	<b>997</b>	<b>997</b>	<b>2 811</b>	<b>142</b>	<b>77</b>

OVERBERG DISTRICT MUNICIPALITY  
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## TABLE A3 - Budget Financial Performance (Rev & Exp by Municipal Vote)

DC3 Overberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		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>Revenue by Vote</b>	1									
Vote 1 - Municipal Manager		12 247	13 632	21 831	34 521	34 521	34 521	32 648	29 196	26 447
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		33	101	42	47	240	240	541	548	556
Vote 4 - Finance		100 140	103 429	88 989	79 673	81 993	81 993	80 347	81 703	84 189
Vote 5 - Community Services		156 982	168 337	194 910	193 072	194 860	194 860	212 099	186 382	84 402
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	269 402	285 500	305 772	307 312	311 613	311 613	325 634	297 829	195 595
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - Municipal Manager		14 582	15 973	16 759	17 772	17 839	17 839	17 694	19 230	20 273
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		13 513	15 596	18 949	20 418	20 360	20 360	22 589	23 320	24 360
Vote 4 - Finance		27 630	26 841	32 642	30 709	31 426	31 426	31 434	32 708	34 166
Vote 5 - Community Services		200 400	210 239	231 782	237 868	240 991	240 991	251 106	222 429	116 719
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	256 134	268 649	300 132	306 767	310 616	310 616	322 823	297 687	195 518
<b>Surplus/(Deficit) for the year</b>	2	13 267	16 850	5 640	545	997	997	2 811	142	77

OVERBERG DISTRICT MUNICIPALITY  
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# TABLE A4 - Budget Financial Performance (Revenue & Expenditure)

DC3 Overberg - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		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	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	24	-	-	25	25	25	-	-	-
Service charges - Waste Water Management	2	704	765	798	150	900	900	900	990	1 059	1 133
Service charges - Waste Management	2	10 884	14 959	17 939	18 621	18 821	18 821	18 821	20 150	21 561	22 854
Sale of Goods and Rendering of Services	2	126 105	134 592	149 427	144 147	144 997	144 997	144 997	157 842	130 358	24 794
Agency services	2	12 006	12 909	13 825	13 951	13 951	13 951	13 951	14 606	11 360	-
Interest	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	-	222	212	318	322	322	322	354	378	404
Interest earned from Current and Non Current Assets	2	5 904	8 163	8 052	9 202	9 202	9 202	9 202	9 500	9 500	9 500
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	12 849	13 612	14 677	16 165	16 165	16 165	16 165	17 777	19 541	20 906
Licence and permits	2	746	758	1 251	1 445	1 345	1 345	1 345	1 531	2 000	2 200
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	1 330	3 499	1 485	1 356	1 679	1 679	1 679	1 761	2 441	2 632
<b>Non-Exchange Revenue</b>											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	-	59	174	-	-	-	-	-	-	-
Licences or permits	2	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	2	89 723	90 496	91 538	98 798	100 599	100 599	100 599	97 224	97 931	102 770
Interest	2	-	-	-	-	-	-	-	-	-	-
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	691	2	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets	2	-	-	-	2 660	2 660	2 660	2 660	1 100	1 700	8 400
Other Gains	2	7 154	3 261	264	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contribution)</b>		<b>268 097</b>	<b>283 521</b>	<b>299 642</b>	<b>306 812</b>	<b>310 665</b>	<b>310 665</b>	<b>310 665</b>	<b>322 835</b>	<b>297 829</b>	<b>195 595</b>
<b>Expenditure</b>											
Employee related costs	2	134 415	145 558	160 836	173 064	172 253	172 253	172 253	185 039	177 066	123 572
Remuneration of councillors	2	6 195	6 783	6 883	7 136	7 136	7 136	7 136	7 423	7 905	8 419
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	2,8	47 879	48 046	50 254	44 121	45 059	45 059	45 059	46 455	35 677	4 400
Debt impairment	2,3	76	853	679	100	100	100	100	100	100	100
Depreciation, amortisation and impairment	2	4 005	4 497	5 909	3 697	3 670	3 670	3 670	4 850	4 850	4 850
Interest, Dividends and Rent on Land	2	3 006	2 255	1 918	1 427	1 427	1 427	1 427	1 447	1 436	1 219
Contracted services	2	28 347	28 257	28 997	35 245	38 669	38 669	38 669	34 759	31 308	26 632
Transfers and subsidies	2	1 811	2 300	4 973	1 000	895	895	895	1 000	799	-
Irrecoverable debts written off	2	-	-	-	-	-	-	-	-	-	-
Operational costs	2	29 870	29 495	35 686	40 976	41 407	41 407	41 407	41 750	39 146	26 326
Disposal of Fixed and Intangible Assets	2	526	624	63	-	-	-	-	-	-	-
Other Losses	2	4	-	3 931	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>256 134</b>	<b>268 649</b>	<b>300 132</b>	<b>306 767</b>	<b>310 616</b>	<b>310 616</b>	<b>310 616</b>	<b>322 823</b>	<b>297 687</b>	<b>195 518</b>
<b>Surplus/(Deficit)</b>		<b>11 963</b>	<b>14 872</b>	<b>(490)</b>	<b>45</b>	<b>49</b>	<b>49</b>	<b>49</b>	<b>12</b>	<b>142</b>	<b>77</b>
Transfers and subsidies - capital (monetary allocations)	6	1 219	1 961	3 031	500	946	946	946	2 799	-	-
Transfers and subsidies - capital (in-kind)	6	85	17	3 099	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>13 267</b>	<b>16 850</b>	<b>5 640</b>	<b>545</b>	<b>997</b>	<b>997</b>	<b>997</b>	<b>2 811</b>	<b>142</b>	<b>77</b>
Income Tax	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>13 267</b>	<b>16 850</b>	<b>5 640</b>	<b>545</b>	<b>997</b>	<b>997</b>	<b>997</b>	<b>2 811</b>	<b>142</b>	<b>77</b>
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>13 267</b>	<b>16 850</b>	<b>5 640</b>	<b>545</b>	<b>997</b>	<b>997</b>	<b>997</b>	<b>2 811</b>	<b>142</b>	<b>77</b>
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>13 267</b>	<b>16 850</b>	<b>5 640</b>	<b>545</b>	<b>997</b>	<b>997</b>	<b>997</b>	<b>2 811</b>	<b>142</b>	<b>77</b>

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**TABLE A5 – Capital Expenditure Budget by Vote and Funding**

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>R thousand</b>	1										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		580	468	-	-	-	-	-	-	-	-
Vote 4 - Finance		-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services		367	4 487	1 600	9 200	33 650	33 650	33 650	20 800	2 900	-
<b>Capital multi-year expenditure sub-total</b>	7	946	4 955	1 600	9 200	33 650	33 650	33 650	20 800	2 900	-
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - Municipal Manager		13	2	14	23	22	22	22	-	-	-
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		887	1 619	1 179	2 675	1 547	1 547	1 547	663	400	700
Vote 4 - Finance		3	18	30	42	42	42	42	-	-	-
Vote 5 - Community Services		5 821	5 596	12 583	2 938	4 774	4 774	4 774	7 011	880	3 150
<b>Capital single-year expenditure sub-total</b>		6 724	7 235	13 805	5 678	6 385	6 385	6 385	7 674	1 280	3 850
<b>Total Capital Expenditure - Vote</b>		7 671	12 191	15 405	14 878	40 035	40 035	40 035	28 474	4 180	3 850
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		1 477	2 106	1 208	2 720	1 591	1 591	1 591	663	400	700
Executive and council		-	-	-	-	-	-	-	-	-	-
Finance and administration		1 477	2 106	1 208	2 720	1 591	1 591	1 591	663	400	700
Internal audit		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		5 752	5 524	10 782	2 700	4 886	4 886	4 886	6 887	880	3 150
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		1 743	376	1 626	250	523	523	523	180	180	-
Public safety		3 953	5 111	8 975	1 700	2 519	2 519	2 519	5 479	680	3 130
Housing		-	-	-	-	-	-	-	-	-	-
Health		56	37	180	750	1 845	1 845	1 845	1 228	20	20
<b>Economic and environmental services</b>		75	7	488	258	58	58	58	124	-	-
Planning and development		13	2	14	20	20	20	20	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		62	4	475	238	38	38	38	124	-	-
<b>Trading services</b>		367	4 555	2 927	9 200	33 500	33 500	33 500	20 800	2 900	-
Energy sources		-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		367	4 555	2 927	9 200	33 500	33 500	33 500	20 800	2 900	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	7 671	12 191	15 405	14 878	40 035	40 035	40 035	28 474	4 180	3 850
<b>Funded by:</b>											
National Government		-	-	-	-	-	-	-	-	-	-
Provincial Government		1 219	1 961	3 031	500	948	948	948	2 799	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	1 219	1 961	3 031	500	948	948	948	2 799	-	-
<b>Borrowing</b>	6	367	4 487	265	9 200	33 500	33 500	33 500	20 800	2 900	-
<b>Internally generated funds</b>		6 085	5 742	12 109	5 178	5 587	5 587	5 587	4 875	1 280	3 850
<b>Total Capital Funding</b>	7	7 671	12 191	15 405	14 878	40 035	40 035	40 035	28 474	4 180	3 850

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# TABLE A6 – Budget Position

DC3 Overberg - Table A6 Budgeted Financial Position

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>ASSETS</b>											
<b>Current assets</b>											
Cash and cash equivalents	1	87 936	77 584	78 826	64 346	70 590	70 590	70 590	68 308	72 604	72 189
Short term Investments	2	-	-	-	-	-	-	-	-	-	-
Trade and other receivables from exchange transactions	3	6 001	9 861	9 963	9 661	9 963	9 963	9 963	9 963	9 963	9 963
Receivables from non-exchange transactions	3	548	560	605	560	605	605	605	605	605	605
Current portion of non-current receivables	4	1 863	2 040	2 073	2 283	2 317	2 317	2 317	2 320	2 436	2 582
Inventory	5	1 571	1 767	1 263	1 767	1 263	1 263	1 263	1 263	1 263	1 263
VAT Receivable	6	481	303	793	303	793	793	793	793	793	793
Other current assets	7	-	-	-	-	-	-	-	-	-	-
<b>Total current assets</b>		<b>98 400</b>	<b>92 116</b>	<b>93 523</b>	<b>78 921</b>	<b>85 531</b>	<b>85 531</b>	<b>85 531</b>	<b>83 252</b>	<b>87 664</b>	<b>87 395</b>
<b>Non current assets</b>											
Investments	8	-	-	-	-	-	-	-	-	-	-
Investment property	9	12 797	12 797	12 797	12 782	12 782	12 782	12 782	12 701	12 620	12 539
Property, plant and equipment	10	74 587	81 677	91 015	101 897	127 148	127 148	127 148	151 005	150 568	149 816
Biological assets	11	-	-	-	-	-	-	-	-	-	-
Living resources	12	-	-	-	-	-	-	-	-	-	-
Heritage assets	13	-	-	-	-	-	-	-	-	-	-
Intangible assets	14	5	74	169	600	417	417	417	265	113	(54)
Trade and other receivables from exchange transactions	15	-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions	15	20 297	20 820	23 192	23 051	23 940	23 940	23 940	24 629	26 070	27 635
Other non-current assets	16	-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>107 685</b>	<b>115 368</b>	<b>127 173</b>	<b>138 328</b>	<b>164 266</b>	<b>164 266</b>	<b>164 266</b>	<b>186 799</b>	<b>189 371</b>	<b>189 935</b>
<b>TOTAL ASSETS</b>		<b>206 085</b>	<b>207 484</b>	<b>220 696</b>	<b>217 250</b>	<b>249 817</b>	<b>249 817</b>	<b>249 817</b>	<b>272 052</b>	<b>277 035</b>	<b>277 330</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	17	-	-	-	-	-	-	-	-	-	-
Financial liabilities	18	5 365	4 704	5 141	2 297	2 297	2 297	2 297	2 920	4 920	6 920
Consumer deposits	19	8	8	8	8	8	8	8	8	8	8
Trade and other payables from exchange transactions	20	19 432	7 920	6 999	7 985	6 999	6 999	6 999	6 999	6 999	6 999
Trade and other payables from non-exchange transactions	21	3 922	3 585	6 479	2 527	3 303	3 303	3 303	3 303	3 303	3 303
Provision	22	12 038	13 316	15 563	14 951	16 341	16 341	16 341	17 158	18 016	18 917
VAT Payable	23	-	-	-	-	-	-	-	-	-	-
Other current liabilities	24	4 031	4 275	4 273	4 803	4 487	4 487	4 487	4 711	4 947	5 194
<b>Total current liabilities</b>		<b>44 796</b>	<b>33 807</b>	<b>38 464</b>	<b>32 583</b>	<b>33 435</b>	<b>33 435</b>	<b>33 435</b>	<b>35 100</b>	<b>38 193</b>	<b>41 341</b>
<b>Non current liabilities</b>											
Financial liabilities	25	11 225	6 519	1 377	7 820	32 120	32 120	32 120	47 703	45 683	38 763
Provision	26	1 248	1 551	3 161	1 877	3 368	3 368	3 368	3 576	3 793	4 022
Long term portion of trade payables	27	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities	28	48 601	48 541	54 988	53 592	57 191	57 191	57 191	59 160	62 710	66 472
<b>Total non current liabilities</b>		<b>61 074</b>	<b>56 611</b>	<b>59 527</b>	<b>63 289</b>	<b>92 679</b>	<b>92 679</b>	<b>92 679</b>	<b>110 438</b>	<b>112 186</b>	<b>109 257</b>
<b>TOTAL LIABILITIES</b>		<b>105 870</b>	<b>90 418</b>	<b>97 991</b>	<b>95 872</b>	<b>126 115</b>	<b>126 115</b>	<b>126 115</b>	<b>145 538</b>	<b>150 379</b>	<b>150 598</b>
<b>NET ASSETS</b>		<b>100 215</b>	<b>117 066</b>	<b>122 705</b>	<b>121 378</b>	<b>123 703</b>	<b>123 703</b>	<b>123 703</b>	<b>126 514</b>	<b>126 656</b>	<b>126 733</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated surplus/(deficit)	29	79 215	96 066	101 705	100 378	102 703	102 703	102 703	105 514	105 656	105 733
Reserves and funds	30	21 000	21 000	21 000	21 000	21 000	21 000	21 000	21 000	21 000	21 000
Other	31	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>32</b>	<b>100 215</b>	<b>117 066</b>	<b>122 705</b>	<b>121 378</b>	<b>123 703</b>	<b>123 703</b>	<b>123 703</b>	<b>126 514</b>	<b>126 656</b>	<b>126 733</b>

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## TABLE A7 – Budget Cash flows

DC3 Overberg - Table A7 Budgeted Cash Flows

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		-	-	-	-	-	-	-	-	-	-
Service charges		12 132	15 290	19 461	18 771	19 746	19 746	19 746	21 140	22 620	23 988
Other revenue		167 761	149 671	177 835	177 063	178 036	178 036	178 036	193 417	165 600	50 432
Transfers and Subsidies - Operational	1	89 637	91 972	95 926	98 798	98 798	98 798	98 798	97 224	97 931	102 770
Transfers and Subsidies - Capital	1	2 063	1 620	3 072	500	500	500	500	2 799	-	-
Interest		5 449	8 405	8 341	9 520	9 524	9 524	9 524	9 854	9 878	9 904
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(228 927)	(256 144)	(282 745)	(299 252)	(302 114)	(302 114)	(302 114)	(314 087)	(287 952)	(186 632)
Finance charges		(2 172)	(1 596)	(1 019)	(460)	(1 427)	(1 427)	(1 427)	(460)	(483)	(507)
Transfers and Subsidies	1	(1 159)	(2 300)	(4 047)	(2 800)	(1 821)	(1 821)	(1 821)	(1 000)	(799)	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>44 783</b>	<b>6 917</b>	<b>16 824</b>	<b>2 140</b>	<b>1 241</b>	<b>1 241</b>	<b>1 241</b>	<b>8 887</b>	<b>6 796</b>	<b>(45)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		10 435	-	-	2 660	2 660	2 660	2 660	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Insurance Refund - Capital		-	-	-	-	-	-	-	-	-	-
Interest on Short Term Investment (Greater than 90 days) and Long Term Investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(7 583)	(11 902)	(10 878)	(14 878)	(40 035)	(40 035)	(40 035)	(28 474)	(4 180)	(3 850)
Retention (Capital)		-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>2 852</b>	<b>(11 902)</b>	<b>(10 878)</b>	<b>(12 218)</b>	<b>(37 375)</b>	<b>(37 375)</b>	<b>(37 375)</b>	<b>(28 474)</b>	<b>(4 180)</b>	<b>(3 850)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	9 200	33 500	33 500	33 500	20 800	2 900	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		(4 631)	(5 367)	(4 704)	(7 101)	(5 601)	(5 601)	(5 601)	(4 595)	(2 920)	(4 920)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(4 631)</b>	<b>(5 367)</b>	<b>(4 704)</b>	<b>2 099</b>	<b>27 899</b>	<b>27 899</b>	<b>27 899</b>	<b>16 205</b>	<b>(20)</b>	<b>(4 920)</b>
<b>NET INCREASE / (DECREASE) IN CASH HELD</b>		<b>43 005</b>	<b>(10 352)</b>	<b>1 242</b>	<b>(7 979)</b>	<b>(8 236)</b>	<b>(8 236)</b>	<b>(8 236)</b>	<b>(3 382)</b>	<b>2 596</b>	<b>(8 815)</b>
Cash/cash equivalents at the year begin:	2	44 931	87 936	77 584	72 325	78 826	78 826	78 826	70 590	67 208	69 804
Cash/cash equivalents at the year end:	2	87 936	77 584	78 826	64 346	70 590	70 590	70 590	67 208	69 804	60 989

## TABLE A8 – Cash back reserves/accumulated surplus provision.

DC3 Overberg - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		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>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	87 936	77 584	78 826	64 346	70 590	70 590	70 590	67 208	69 804	60 989
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-
Non-current investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>87 936</b>	<b>77 584</b>	<b>78 826</b>	<b>64 346</b>	<b>70 590</b>	<b>70 590</b>	<b>70 590</b>	<b>67 208</b>	<b>69 804</b>	<b>60 989</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		3 922	3 585	5 553	2 527	3 303	3 303	3 303	3 303	3 303	3 303
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(11 624)	(21 104)	(28 448)	(27 966)	(30 004)	(30 004)	(30 004)	(34 105)	(36 577)	(49 613)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>(7 702)</b>	<b>(17 520)</b>	<b>(22 896)</b>	<b>(25 439)</b>	<b>(26 701)</b>	<b>(26 701)</b>	<b>(26 701)</b>	<b>(30 802)</b>	<b>(33 274)</b>	<b>(46 310)</b>
<b>Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Ben</b>		<b>95 638</b>	<b>95 104</b>	<b>101 722</b>	<b>89 785</b>	<b>97 292</b>	<b>97 292</b>	<b>97 292</b>	<b>98 011</b>	<b>103 078</b>	<b>107 300</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 Ben</b>		<b>95 638</b>	<b>95 104</b>	<b>101 722</b>	<b>89 785</b>	<b>97 292</b>	<b>97 292</b>	<b>97 292</b>	<b>98 011</b>	<b>103 078</b>	<b>107 300</b>

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# TABLE A9 – Asset Management

DC3 Overberg - Table A9 Asset Management

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand										
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	5 888	4 966	8 728	2 329	2 791	2 791	6 289	-	2 500
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	3	160	152	152	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	3	160	152	152	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	67	-	-	115	115	1 198	-	-
Housing		-	3	-	-	-	-	-	-	-
Other Assets		-	70	-	-	115	115	1 198	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	135	450	250	250	-	-	-
Intangible Assets		-	-	135	450	250	250	-	-	-
Computer Equipment		324	96	89	20	20	20	-	-	-
Furniture and Office Equipment		30	2	94	192	268	288	213	-	-
Machinery and Equipment		1 961	1 421	4 396	407	407	407	6	-	-
Transport Assets		3 574	3 376	4 011	1 100	1 580	1 580	4 872	-	2 500
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets</b>	2	849	1 555	3 581	1 325	1 607	1 607	710	700	650
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	68	1 428	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	68	1 428	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		341	313	-	-	-	-	-	-	-
Furniture and Office Equipment		394	471	481	1 175	1 207	1 207	60	50	50
Machinery and Equipment		24	33	71	150	400	400	450	450	400
Transport Assets		90	670	1 681	-	-	-	200	200	200
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>Total Upgrading of Existing Assets</b>	6	934	5 670	3 097	11 224	35 637	35 637	21 475	3 480	700

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Roads Infrastructure	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	119	119	-	-	-
Water Supply Infrastructure	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	367	4 487	1 499	9 200	33 500	33 500	20 800	2 900	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>	<b>367</b>	<b>4 487</b>	<b>1 499</b>	<b>9 200</b>	<b>33 619</b>	<b>33 619</b>	<b>20 800</b>	<b>2 900</b>	<b>-</b>
Community Facilities	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</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	44	262	67	-	-	-	-	-	-
Housing	523	167	297	-	150	150	180	180	-
<b>Other Assets</b>	<b>567</b>	<b>429</b>	<b>364</b>	<b>-</b>	<b>150</b>	<b>150</b>	<b>180</b>	<b>180</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>
Computer Equipment	-	754	555	263	103	103	-	-	-
Furniture and Office Equipment	-	-	166	1 200	1 200	1 200	450	400	700
Machinery and Equipment	-	-	90	150	154	154	-	-	-
Transport Assets	-	-	424	411	411	411	45	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
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>	<b>7 671</b>	<b>12 191</b>	<b>15 405</b>	<b>14 878</b>	<b>40 035</b>	<b>40 035</b>	<b>28 474</b>	<b>4 180</b>	<b>3 850</b>
<i>Roads Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>	-	-	-	-	119	119	-	-	-
<i>Water Supply Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>	-	-	3	160	152	152	-	-	-
<i>Solid Waste Infrastructure</i>	367	4 555	2 927	9 200	33 500	33 500	20 800	2 900	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>	<b>367</b>	<b>4 555</b>	<b>2 930</b>	<b>9 360</b>	<b>33 771</b>	<b>33 771</b>	<b>20 800</b>	<b>2 900</b>	<b>-</b>
Community Facilities	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</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	44	329	67	-	115	115	1 198	-	-
Housing	523	170	297	-	150	150	180	180	-
<b>Other Assets</b>	<b>567</b>	<b>499</b>	<b>364</b>	<b>-</b>	<b>265</b>	<b>265</b>	<b>1 378</b>	<b>180</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	-	-	135	450	250	250	-	-	-
<b>Intangible Assets</b>	<b>-</b>	<b>-</b>	<b>135</b>	<b>450</b>	<b>250</b>	<b>250</b>	<b>-</b>	<b>-</b>	<b>-</b>
Computer Equipment	665	1 163	644	283	123	123	-	-	-
Furniture and Office Equipment	424	473	741	2 567	2 675	2 675	723	450	750
Machinery and Equipment	1 985	1 454	4 557	707	961	961	456	450	400
Transport Assets	3 664	4 046	6 035	1 511	1 991	1 991	5 117	200	2 700
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
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>7 671</b>	<b>12 191</b>	<b>15 405</b>	<b>14 878</b>	<b>40 035</b>	<b>40 035</b>	<b>28 474</b>	<b>4 180</b>	<b>3 850</b>

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ASSET REGISTER SUMMARY - PPE (WDV)										
	5	87 388	94 548	103 981	115 278	140 346	140 346	163 970	163 300	162 300
Roads Infrastructure		1 017	945	458	945	458	458	458	458	458
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		136	268	250	393	369	369	369	369	369
Water Supply Infrastructure		1 502	1 395	676	1 395	676	676	676	676	676
Sanitation Infrastructure		998	1 076	676	1 396	829	829	829	829	829
Solid Waste Infrastructure		25 000	28 297	30 406	38 430	63 619	63 619	83 410	85 301	84 292
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>28 656</b>	<b>31 980</b>	<b>32 467</b>	<b>42 558</b>	<b>65 951</b>	<b>65 951</b>	<b>85 742</b>	<b>87 633</b>	<b>86 624</b>
Community Assets		10	13	12	13	12	12	12	12	12
Heritage Assets		-	-	-	-	-	-	-	-	-
Investment properties		12 797	12 797	12 797	12 768	12 782	12 782	12 701	12 620	12 539
Other Assets		11 921	11 949	12 547	11 814	12 377	12 377	13 355	13 135	12 776
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		5	74	169	600	417	417	255	113	(54)
Computer Equipment		1 923	2 733	2 896	2 918	2 522	2 522	878	(766)	(2 410)
Furniture and Office Equipment		4 055	3 976	3 813	6 524	6 012	6 012	5 443	4 601	4 032
Machinery and Equipment		5 610	6 378	8 023	9 353	8 952	8 952	9 317	9 676	9 986
Transport Assets		17 413	19 590	25 649	23 731	25 715	25 715	30 651	30 670	33 189
Land		4 999	5 057	5 608	4 999	5 608	5 608	5 608	5 608	5 608
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>5</b>	<b>87 388</b>	<b>94 548</b>	<b>103 981</b>	<b>115 278</b>	<b>140 346</b>	<b>140 346</b>	<b>163 970</b>	<b>163 300</b>	<b>162 300</b>
<b>EXPENDITURE OTHER ITEMS</b>										
Depreciation	7	12 938	9 493	11 617	13 959	12 929	12 929	15 306	15 415	15 731
Repairs and Maintenance by Asset Class	3	8 933	4 997	5 708	10 262	9 259	9 259	10 456	10 565	10 881
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		6 037	1 524	1 872	6 578	4 578	4 578	6 399	6 719	7 054
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>6 037</b>	<b>1 524</b>	<b>1 872</b>	<b>6 578</b>	<b>4 578</b>	<b>4 578</b>	<b>6 399</b>	<b>6 719</b>	<b>7 054</b>
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		879	1 111	1 417	1 294	1 370	1 370	1 006	800	750
Housing		5	2	-	5	5	5	-	-	-
Other Assets		884	1 113	1 417	1 299	1 375	1 375	1 006	800	750
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		262	209	225	610	426	426	627	633	653
Transport Assets		1 750	2 150	2 194	1 775	2 880	2 880	2 425	2 414	2 424
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>12 938</b>	<b>9 493</b>	<b>11 617</b>	<b>13 959</b>	<b>12 929</b>	<b>12 929</b>	<b>15 306</b>	<b>15 415</b>	<b>15 731</b>
Renewal and upgrading of Existing Assets as % of total capex		23.2%	59.3%	43.3%	84.3%	93.0%	93.0%	77.9%	100.0%	35.1%
Renewal and upgrading of Existing Assets as % of deprecn		44.5%	160.7%	113.0%	339.4%	1014.9%	1014.9%	457.4%	86.2%	27.6%
R&M as a % of PPE & Investment Property		10.2%	5.3%	5.5%	8.9%	6.6%	6.6%	6.4%	6.5%	6.7%
Renewal and upgrading and R&M as a % of PPE and Investment Property		12.3%	12.9%	11.9%	19.9%	33.2%	33.2%	19.9%	9.0%	7.5%

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# TABLE A10 – Service Delivery Measurement

DC3 Overberg - Table A10 Basic service delivery measurement

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>										
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>										
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>										
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>										
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Energy:</b>										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>										
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>										
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Refuse:</b>										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>										
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>										
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
Informal Settlements		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>										
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>										
<b>Total cost of FBS provided</b>	8	-	-	-	-	-	-	-	-	-
<b>Highest level of free service provided per household</b>										
Property rates (R value threshold)		-	-	-	-	-	-	-	-	-
Water (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	-
Electricity (kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (average litres per week)		-	-	-	-	-	-	-	-	-
<b>Revenue cost of subsidised services provided (R'000)</b>	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		-	-	-	-	-	-	-	-	-
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other	6	-	-	-	-	-	-	-	-	-
<b>Total revenue cost of subsidised services provided</b>		-	-	-	-	-	-	-	-	-

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# PART 2 – SUPPORTING DOCUMENTATION

## 1. Overview of Annual Budget Process

### 1.1 Political oversight of the budget process

Section 53 (1) of the MFMA stipulates that the mayor of a municipality must provide general political guidance over the budget process and the priorities that guides the preparation of the budget.

Section 21(1) of the MFMA states that the Mayor of a municipality must co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible.

Furthermore, this section also states that the Mayor must at least 10 months before the start of the budget year, table in municipal council, a time schedule outlining key deadlines for the preparation, tabling, and approval of the annual budget.

This time schedule provides for political input from formal organisations such as portfolio committees.

### 1.2 Schedule of Key Deadlines relating to budget process [MFMA s21 (1) (b)]

The IDP and Budget time schedule of the 2026/2027 budget cycle was approved by Council in August 2025, ten months before the start of the budget year in compliance with legislative directives.

### 1.3 Process used to integrate the review of the IDP and preparation of the Budget

Updating the IDP and Budget is an evolving and re-iterative process over a 10-month period. The initial parallel process commenced with the consultative process of the IDP in 2025/26 and the update of the MTREF to determine the affordability and sustainability framework at the same time.

#### **1.4 Process for consultation with each group of stakeholders and outcomes**

Following the tabling of the draft budget on 30 March 2026, local input will be solicited via notices published in all major newspapers across the region. While the budget will also be placed on the municipal website at [www.odm.org.za](http://www.odm.org.za).

Comments on the IDP and Budget as made by the public via verbal presentations, facsimiles, emails and in the form of correspondence to the municipality will be considered for incorporation as part of the final budget approval process.

#### **1.5 Stakeholders involved in consultations.**

The tabled budget will be provided to National Treasury and Provincial Treasury for their consideration in line with S23 of the MFMA.


#### **1.6 Process and media used to provide information on the Budget to the community.**

Following the tabling of the draft budget in March 2026, local input will be solicited via notices published in all major newspapers across the region while the budget will also be placed on the municipal website at [www.odm.org.za](http://www.odm.org.za).

#### **1.7 Methods employed to make the Budget document available (including websites)**

In compliance with the Municipal Finance Management Act and the Municipal Systems Act with regards to the advertising of Budget Documents (including the Tariffs for 2026/2027), advertisements will be placed in the local newspapers across the region and the municipal website and social media. The information relating to the budget documentation will be displayed at the notice boards in the municipal offices, Thusong centres and libraries in the district.

In compliance with S 22 of the MFMA, the Budget documentation will be published on the municipality's website following the tabling thereof at Council on 30 March 2026 and the approval thereof on 25 May 2026.

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## 2. Overview of Alignment of budget to IDP

- **The Vision of the Municipality**

The Municipality's long-term vision:

*"Overberg – the opportunity gateway to Africa through sustainable services"*

- **Alignment with Provincial and National Government**

Overberg District Municipality's development plan needs to be aligned with National and Provincial initiatives to ensure optimal impact from the combined efforts of government. In this regard there are six critical elements: Accelerated and Shared Growth-South Africa (ASGI-SA), National Spatial Development Perspective (NSDP), National Strategy for Sustainable Development (NSSD), Provincial Growth and Development Strategy (PGDS), Provincial Spatial Development Framework (PSDF), and the Provincial Strategic Plan.

All these feeds into and influence the Integrated Development Plan.

- **Overberg District Municipality Budget Priorities (Key Performance areas)**

The Municipality's Integrated Development Plan focuses on five strategic focus areas. The concrete objectives for each strategic focus area have been outlined and elaborated on in the Strategic Plan. These objectives will be used to further develop key performance indicators against which performance implementation monitoring and reporting will be done. The corporate scorecard outlines these indicators and targets.

**The five strategic outcomes are:**

1. *To ensure the well-being of all in the Overberg through the provision of efficient **basic services and infrastructure**.*
2. *To promote **regional economic development** by supporting initiatives in the district for the development of a sustainable district economy.*
3. *To ensure **municipal transformation and institutional development** by creating a staff structure that would adhere to the principles of employment equity and promote skill development.*
4. *To attain and maintain **financial viability** and sustainable by executing accounting services in accordance with National policy and guidelines.*

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5. To ensure **good governance** practices by providing a democratic and pro-active accountable government and ensuring community participation through IGR structures.

- **Amendments to the Integrated Development Plan**

At the Strategic Session of Council on 23 February 2026, the Executive Mayor reaffirm the strategic direction of Council. An IDP review process was therefore followed, and not an Amendment.

The complete Integrated Development Plan Review will be presented at the Council, prior to tabling the Review to Council for adoption. Electronic copies will be sent to all Councillors and Management.

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### 3. Measurable performance Objectives and Indicators

Information regarding key financial indicators and ratios are provided on Supporting Table SA 7.

DC3 Overberg - Supporting Table SA7 Measurable performance objectives

Description	Unit of measurement	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>Vote 1 - vote name</b>										
<b>Executive</b>										
Percentage positions filled in the three highest levels of management in terms of the approved Employment Equity Plan as at 30 June (Reg)	% of positions filled in the three highest levels of management							TBC		
Percentage of the capital budget spent on capital projects by 30 June (Reg)	% of capital budget spent (Actual amount spent on capital projects/Total amount budgeted for capital projects)	50.0%	85.1%	98.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
<b>Internal Audit</b>										
Develop a Risk-based Audit Plan for the next	Risk-based audit plan	1	1	1	1	1	1	1	1	1
<b>IDP and Communications</b>										
Draft a five year IDP and submit to Council for consideration by 31 March	IDP drafted and submitted	1	1	1	1	1	1	1	1	1
Develop a District IDP Framework Plan and submit to Council for consideration by 31 March	Plan developed and submitted							1		
<b>Performance and Risk Management</b>										
Execute Strategic Risk assessment	Number of strategic risk assessments executed	1	1	1	1	1	1	1	1	1
<b>Vote 2 - Management Services</b>										
<b>Vote 3 - Corporate Services</b>										
<b>Human Resources</b>										
Review and update the Staff Establishment as per the MSR and table to Council by 31 May	Reviewed staff establishment tabled per annum		1	1	1	1	1	1	1	1
Percentage of the municipal budget spent on implementing the workplace skills plan by 30 June	% of the municipal budget spent ((Actual total training expenditure divided by total	0.44	0.55	0.23	0.37	90 of training budget	90 of training budget	TBC	TBC	TBC
submit to Council for consideration by 31 March	Plan developed and submitted to Council							1		
Review the HR Strategy and submit to Council for consideration by 31 March	Strategy reviewed and submitted to Council							1		
Conduct a skills audit for the Administration (excluding senior management) by 31 December	% of the skills audit conducted (Number of staff skills audit completed/Total number of staff on 31 December)							1		
Create temporary work opportunities through the municipality's EPWP programme by 30 June	Number of temporary EPWP work opportunities created per annum	207	135	149	172	96	96	TBC	TBC	TBC
<b>Administrative Services</b>										
Review the Council Rules of Order for Council and Portfolio Committee meetings and submit to Council for consideration by the end of	Rules of Order reviewed and submitted to Council							1		
<b>Corporate Support Services</b>										
Review the Delegation Register and submit to Council for consideration by 31 May	Delegation register reviewed and submitted to Council				1	1	1	1		

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Vote 4 - Finance										
Finance										
Measure financial viability in terms of the municipality's ability to meet its service debt obligations by 30 June (Debt coverage) (Reg)	The number of times the municipality was able to meet its Debt obligation ((Total operating revenue received - operating grants)/debt service payments))	11.20	12.06	12.27	7.00	7.00	7.00	7.00	7.00	7.00
Measure financial viability in terms of the available cash to cover fixed operating expenditure by 30 June (Cost coverage) (Reg)	Number of months cash were available to cover fixed operating expenditure ((All available cash at a particular time + investments)/monthly	4.12	3.48	3.21	3.00	3.00	3.00	3.00	3.00	3.00
Measure financial viability in terms of percentage outstanding service debtors by 30 June (Service Debtors) (Reg)	% Outstanding service debtors per annum (Total outstanding service debtors/annual revenue received for services)	13.0%	11.6%	9.5%	20.0%	12.0%	12.0%	12.0%	12.0%	12.0%
Develop a Revenue Enhancement Plan and submit to Council for consideration by 31 March	Plan developed and submitted for consideration to Council							1		
<b>SCM &amp; Assets</b>										
<b>Payroll, Banking and Cash</b>										
Vote 5 - Community Services										
<b>Municipal Health Services</b>										
Take domestic drinking water samples in towns and communities to monitor water quality	Number of samples taken per annum	680	915	1062	1056	913	913	1056	1056	1056
Take food samples to monitor the quality of Food to the FCD Act and legislative	Number of samples taken per annum	783	485	619	576	576	576	576	576	576
Take water samples at Sewerage Final Outflow to monitor water quality	Number of samples taken per annum	173	196	298	284	257	257	284	284	284
refurbishment of the municipal health services building at Calendon depo by 30 June	% of the budget spent (Total amount of capital							90.00%		
extend of municipal health premises in the Overberg region and submit to Council for	Assessment conducted and submitted							1		
<b>Environmental Management</b>										
Develop a climate change needs and response	Climate change needs				1	0	0	1		
<b>Solid Waste</b>										
Achieve a 90% compliance audit outcome for the Karvyderskraal Regional Landfill Facility for the annum	% compliance audit outcome achieved for the financial year			98.97%				98.98%	90.0%	90.0%
Complete the construction of Cell 5 portion of the access road and expansion of compost facility at Karvyderskraal Landfill site by 31	Project completed							1		
<b>Emergency Services</b>										
Table Disaster Risk Management Plan review to Council by 30 June	Reviewed Disaster Risk Management Plan tabled	1	1	1	1	1	1	1	1	1
Purchase a fire truck by 30 June	Number of trucks purchased							1		
<b>Roads</b>										
Kilometres of gravel roads to be regavelled	Number of kilometres road regavelled per	43	31.44	32	48.86	48.86	48.86	50		
Kilometres of gravel roads to be bladed	Number of kilometres gravel road bladed per	6862.61	6686.53	6856	6500	6500	6500	6500	6500	6500
Kilometers of roads resealed per annum	Number of kilometers of roads resealed	16.26	13.75	19.70	18.63	18.63	18.63	19.81		
Square meters of black top patching completed per annum	Number of square meters completed							TBC	TBC	TBC
<b>LED, Tourism and Resorts</b>										
Complete a feasibility study with scenario plans for the resorts and submit to Council for consideration by 31 December	Feasibility study completed and submitted to Council.				1	1	0	1	1	1
Develop a Regional Economic Integration Plan and submit to Council for consideration by 30 June	Plan developed and submitted for consideration to Council							1		

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**Budgeted monthly cash flow**

R thousand	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
	MONTHLY CASH FLOWS												Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
	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>Cash Receipts By Source</b>	83	83	83	83	83	83	83	83	83	83	83	83	990	1 059	1 133
Service charges - sanitation revenue	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	20 150	21 561	22 854
Service charges - refuse revenue															
Rental of facilities and equipment	1 473	1 473	1 473	1 473	1 473	1 473	1 473	1 473	1 473	1 473	1 473	1 473	17 677	19 441	20 806
Interest earned - external investments	792	792	792	792	792	792	792	792	792	792	792	792	9 500	9 500	9 500
Interest earned - outstanding debtors	29	29	29	29	29	29	29	29	29	29	29	29	354	378	404
Licences and permits	128	128	128	128	128	128	128	128	128	128	128	128	1 531	2 000	2 200
Agency services	1 217	1 217	1 217	1 217	1 217	1 217	1 217	1 217	1 217	1 217	1 217	1 217	11 360	11 360	—
Transfers and Subsidies - Operational	32 408				32 408			32 408					97 224	97 931	102 770
Other revenue	13 300	13 300	13 300	13 300	13 300	13 300	13 300	13 300	13 300	13 300	13 300	13 300	159 603	132 799	27 427
<b>Cash Receipts by Source</b>	<b>51 109</b>	<b>18 701</b>	<b>18 701</b>	<b>18 701</b>	<b>51 109</b>	<b>18 701</b>	<b>18 701</b>	<b>51 109</b>	<b>18 701</b>	<b>18 701</b>	<b>18 701</b>	<b>18 701</b>	<b>321 635</b>	<b>296 029</b>	<b>187 095</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National/ Provincial and District)													2 799	2 900	—
Borrowing long term/refinancing					20 800								20 800	2 900	—
<b>Total Cash Receipts by Source</b>	<b>51 109</b>	<b>18 701</b>	<b>18 701</b>	<b>18 701</b>	<b>71 909</b>	<b>18 701</b>	<b>18 701</b>	<b>51 109</b>	<b>18 701</b>	<b>18 701</b>	<b>18 701</b>	<b>18 701</b>	<b>345 234</b>	<b>298 929</b>	<b>187 095</b>
<b>Cash Payments by Type</b>															
Employee related costs	14 131	14 131	14 131	14 131	28 262	14 131	14 131	14 131	14 131	14 131	14 131	14 131	183 700	174 516	120 854
Remuneration of councillors	619	619	619	619	619	619	619	619	619	619	619	619	7 423	7 905	8 419
Finance charges	38	38	38	38	38	38	38	38	38	38	38	38	460	483	507
Bulk purchases - Electricity	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Acquisition inventory - water and other inventory	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	46 455	35 077	4 400
Contracted services	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	34 759	31 308	26 632
Transfers and subsidies - other municipalities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and subsidies - other	83	83	83	83	83	83	83	83	83	83	83	83	1 000	799	—
Other expenditure	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	41 750	39 146	26 326
<b>Cash Payments by Type</b>	<b>25 118</b>	<b>25 118</b>	<b>25 118</b>	<b>25 118</b>	<b>39 249</b>	<b>25 118</b>	<b>25 118</b>	<b>25 118</b>	<b>25 118</b>	<b>25 118</b>	<b>25 118</b>	<b>25 118</b>	<b>315 547</b>	<b>289 234</b>	<b>187 139</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	2 373	2 373	2 373	2 373	2 373	2 373	2 373	2 373	2 373	2 373	2 373	2 373	28 474	4 180	3 850
Repayment of borrowing	383	383	383	383	383	383	383	383	383	383	383	383	4 595	2 920	4 920
Other Cash Flows/Payments															
<b>Total Cash Payments by Type</b>	<b>27 874</b>	<b>27 874</b>	<b>27 874</b>	<b>27 874</b>	<b>42 005</b>	<b>27 874</b>	<b>27 874</b>	<b>27 874</b>	<b>27 874</b>	<b>27 874</b>	<b>27 874</b>	<b>27 874</b>	<b>348 616</b>	<b>296 334</b>	<b>195 909</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>23 235</b>	<b>(9 173)</b>	<b>(9 173)</b>	<b>(9 173)</b>	<b>29 904</b>	<b>(9 173)</b>	<b>(9 173)</b>	<b>23 235</b>	<b>(9 173)</b>	<b>(9 173)</b>	<b>(9 173)</b>	<b>(9 173)</b>	<b>(3 382)</b>	<b>2 596</b>	<b>(8 815)</b>
Cash/cash equivalents at the month/year begin:	70 590	93 826	84 653	75 480	66 307	96 211	87 039	77 866	68 693	91 928	82 755	73 582	70 590	67 208	69 804
Cash/cash equivalents at the month/year end:	93 826	84 653	75 480	66 307	96 211	87 039	77 866	68 693	91 928	82 755	73 582	64 409	67 208	69 804	60 989



**Budgeted monthly revenue and expenditure (municipal vote)**

Description	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>Revenue by Vote</b>																
Vote 1 - Municipal Manager	6 865	1 217	1 217	1 217	6 865	1 217	1 217	1 217	6 865	1 217	1 217	2 317	32 648	29 196	26 447	
Vote 2 - Management Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 3 - Corporate Services	45	45	45	45	45	45	45	45	45	45	45	45	541	548	556	
Vote 4 - Finance	22 427	1 452	1 452	1 452	22 427	1 452	1 452	1 452	22 427	1 452	1 452	1 452	80 347	81 703	84 189	
Vote 5 - Community Services	20 121	16 860	16 860	16 860	20 121	16 860	16 860	16 860	20 121	16 860	16 860	16 860	212 099	186 382	84 402	
<b>Total Revenue by Vote</b>	<b>49 457</b>	<b>19 573</b>	<b>19 573</b>	<b>19 573</b>	<b>49 457</b>	<b>19 573</b>	<b>19 573</b>	<b>19 573</b>	<b>49 457</b>	<b>19 573</b>	<b>19 573</b>	<b>20 673</b>	<b>325 634</b>	<b>297 829</b>	<b>195 595</b>	
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - Municipal Manager	1 431	1 431	1 431	1 431	1 950	1 431	1 431	1 431	1 431	1 431	1 431	1 431	17 694	19 230	20 273	
Vote 2 - Management Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 3 - Corporate Services	1 811	1 811	1 811	1 811	2 671	1 811	1 811	1 811	1 811	1 811	1 811	1 811	22 589	23 320	24 360	
Vote 4 - Finance	2 544	2 544	2 544	2 544	3 453	2 544	2 544	2 544	2 544	2 544	2 544	2 544	31 434	32 708	34 166	
Vote 5 - Community Services	20 268	20 268	20 268	20 268	28 059	20 268	20 268	20 268	20 268	20 268	20 268	20 368	251 106	222 429	116 719	
<b>Total Expenditure by Vote</b>	<b>26 054</b>	<b>26 054</b>	<b>26 054</b>	<b>26 054</b>	<b>36 133</b>	<b>26 054</b>	<b>26 054</b>	<b>26 054</b>	<b>26 054</b>	<b>26 054</b>	<b>26 054</b>	<b>26 154</b>	<b>322 823</b>	<b>297 687</b>	<b>195 518</b>	
<b>Surplus/(Deficit)</b>	<b>23 404</b>	<b>(6 480)</b>	<b>(6 480)</b>	<b>(6 480)</b>	<b>13 324</b>	<b>(6 480)</b>	<b>(6 480)</b>	<b>(6 480)</b>	<b>(6 480)</b>	<b>(6 480)</b>	<b>(6 480)</b>	<b>(5 480)</b>	<b>2 811</b>	<b>142</b>	<b>77</b>	

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### Budgeted monthly revenue and expenditure

Description	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>Revenue</b>																
Exchange Revenue	83	83	83	83	83	83	83	83	83	83	83	83	890	1 059	1 133	
Service charges - Waste Water Management	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	20 150	21 561	22 854	
Service charges - Waste Management	13 153	13 153	13 153	13 153	13 153	13 153	13 153	13 153	13 153	13 153	13 153	13 153	157 842	130 358	24 794	
Sales of Goods and Rendering of Services	1 217	1 217	1 217	1 217	1 217	1 217	1 217	1 217	1 217	1 217	1 217	1 217	14 606	11 360	-	
Agency services	29	29	29	29	29	29	29	29	29	29	29	29	354	378	404	
Interest earned from Receivables	792	792	792	792	792	792	792	792	792	792	792	792	9 500	9 500	9 500	
Interest earned from Current and Non Current Assets	1 481	1 481	1 481	1 481	1 481	1 481	1 481	1 481	1 481	1 481	1 481	1 481	17 777	19 541	20 906	
Rental from Fixed Assets	128	128	128	128	128	128	128	128	128	128	128	128	1 531	2 000	2 200	
Licences or Permits	147	147	147	147	147	147	147	147	147	147	147	147	1 761	2 441	2 632	
Operational Revenue	30 515	631	631	631	30 515	631	631	631	30 515	631	631	631	97 224	97 931	102 770	
<b>Non-Exchange Revenue</b>	-	-	-	-	-	-	-	-	-	-	-	-	1 100	1 700	8 400	
Transfer and subsidies - Operational	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gains on disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Revenue (excluding capital transfers and contr</b>	<b>49 224</b>	<b>19 340</b>	<b>19 340</b>	<b>19 340</b>	<b>49 224</b>	<b>19 340</b>	<b>19 340</b>	<b>19 340</b>	<b>49 224</b>	<b>19 340</b>	<b>19 340</b>	<b>19 340</b>	<b>322 835</b>	<b>297 829</b>	<b>195 595</b>	
<b>Expenditure</b>																
Employee related costs	14 580	14 580	14 580	14 580	24 660	14 580	14 580	14 580	14 580	14 580	14 580	14 580	185 039	177 066	123 572	
Remuneration of councillors	619	619	619	619	619	619	619	619	619	619	619	619	7 423	7 905	8 419	
Bulk purchases - electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Inventory consumed	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	46 455	35 077	4 400	
Debt impairment	-	-	-	-	-	-	-	-	-	-	-	-	100	100	100	
Depreciation, amortisation and impairment	404	404	404	404	404	404	404	404	404	404	404	404	4 850	4 850	4 850	
Interest, Dividends and Rent on Land	121	121	121	121	121	121	121	121	121	121	121	121	1 447	1 436	1 219	
Contracted services	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	34 759	31 308	26 632	
Transfers and subsidies	83	83	83	83	83	83	83	83	83	83	83	83	1 000	799	-	
Irrecoverable debts written off	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Operational cost	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	41 750	39 146	26 326	
<b>Total Expenditure</b>	<b>26 054</b>	<b>26 054</b>	<b>26 054</b>	<b>26 054</b>	<b>36 133</b>	<b>26 054</b>	<b>26 054</b>	<b>26 054</b>	<b>26 054</b>	<b>26 054</b>	<b>26 054</b>	<b>26 054</b>	<b>322 823</b>	<b>297 887</b>	<b>195 518</b>	
<b>Surplus/(Deficit)</b>	<b>23 171</b>	<b>(6 713)</b>	<b>(6 713)</b>	<b>(6 713)</b>	<b>13 091</b>	<b>(6 713)</b>	<b>(6 713)</b>	<b>(6 713)</b>	<b>(6 713)</b>	<b>(6 713)</b>	<b>(6 713)</b>	<b>(6 713)</b>	<b>12</b>	<b>142</b>	<b>77</b>	

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## 4. Overview of Budget related Policies

The budget related policies as listed in clause 7 of the Municipal Budget and Reporting Regulations as approved by Council, were reviewed, in line with National Guidelines and Legislation and no changes were made to these policies since.

Policies are available on the website as last reviewed and approved by Council and hard copies will be provided on request. Policies will be table to Council when the final budget is considered on 25 May 2026.

### **Draft Budget Checklist**

*This draft budget does not result in a deficit - **YES***

*This draft budget is regarded as a funded budget if the budget assumptions realized- **YES***

*This draft budget is focus on service delivery - **YES***

*This draft budget gave attention to cost containment and comply to NT guidelines & mSCOA alignment - **YES***

*This draft budget is financially sustainable if the budget assumptions realized – **Yes, but additional revenue sources from health and fire services delivered need to materialise to prevent further cost cutting. Employee costs need to be revisited as per priority on vacancies. Equitable share model review will also alleviate strains experience currently.***

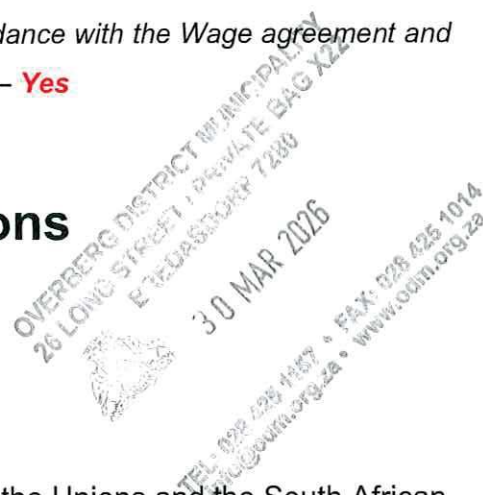
*This employee cost in this draft budget was calculated in accordance with the Wage agreement and did not consider any intention to apply for an exemption thereof – **Yes***

## 5. Overview of Budget Assumptions

### **Expenditure**

#### **Salaries and Allowances**

Wage negotiations are set for the three-year term between the Unions and the South African Local Government Association, and the municipality budgeted for 1.5% notch and medical fund increase. Taking the projected CPI figures (current year and projections for 2026) with National Treasury's Budget Circular 134 of 2026 guidelines into account, a 4.75% projection for annual increments had been provided.



It is also assumed that the current employees will not resign and therefore notch increases for all qualifying employees are budgeted for. Inclusive are funded vacancies of which some are in the process of being filled. This situation will however be reviewed.

### General expenditure

It is projected that costs for services and more specifically fuel will increase with more than the current CPI inflation target provide by National Treasury over the medium term. It is also assumed that the capital projects for 2026/2027 will be completed during the financial year as depreciation are budgeted on these projects as per General Recognized Accounting Practice (GRAP) principles.

Depreciation on new capital expenditure is calculated at a varying rate ranging between 3 and 50 years depending on the nature of the assets. The useful lives of assets were reviewed during the current year which impacted the depreciation forecast.

### Repairs and Maintenance

It is assumed that municipal infrastructure and assets will be maintained as per previous years and that no major breakages will take place during the financial year.

### Capital costs.

It is assumed that interest rates will be stable during the financial year, but the provision for capital has not been decreased.

### Revenue

#### Grants

- ▶ It is assumed that the National and Provincial grants as per the Division of Revenue Bill (DORA Bill) which has been included in the budget will be received during the 2026/2027 financial year.
- ▶ Additional Revenue Assumptions
  - Sale of investment properties = R 1 100 000
  - Interest on Current Deposito Accounts = R 9 500 000
  - Roads Agency Function = R14 605 528
  - Fire Services (B-Muni's) = R 10 000 000

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- Resort Semi Permanent = R 17 777 000
- Landfill site (KWK) = R 20 150 321

### Total Operating Results

ODM aims to remain with a nett surplus budget during the 2026/27 year, however it becomes more challenging as time passes. New revenue streams, more allocations for functions from NT and PT and sustainable cost reflective tariffs are required to remain sustainable.

## 6. Overview of Budget Funding

### Summary

The operating budget for 2026/2027 will be financed as follows:

#### SUMMARY INCOME & EXPENDITURE 2026/2027 MTREF - ODM

Revenue by Source	Original Budget 2025/26	Adjustment Budget 2025/26	Original Budget 2026/27	Original Budget 2027/28	Original Budget 2028/29
Service charges - Water	R -	R 25 000.00	R -	R -	R -
Service charges - Waste Water Management	R 150 000.00	R 900 000.00	R 990 000.00	R 1 059 300.00	R 1 133 451.00
Service charges - Waste Management	R 18 621 064.00	R 18 821 064.00	R 20 150 321.00	R 21 560 844.00	R 22 854 495.00
Sales of Goods and Rendering of Services	R 144 147 420.00	R 144 997 420.00	R 157 841 945.00	R 130 358 203.00	R 24 794 464.00
Agency services	R 13 950 699.00	R 13 950 699.00	R 14 605 528.00	R 11 359 985.00	R -
Interest earned from Receivables	R 318 000.00	R 322 000.00	R 353 800.00	R 378 286.00	R 404 486.00
Interest earned from Current and Non Current Assets	R 9 202 000.00	R 9 202 000.00	R 9 500 000.00	R 9 500 000.00	R 9 500 000.00
Rental from Fixed Assets	R 16 164 520.00	R 16 164 520.00	R 17 777 000.00	R 19 540 960.00	R 20 905 678.00
Licences or Permits	R 1 444 500.00	R 1 344 500.00	R 1 531 170.00	R 2 000 000.00	R 2 200 000.00
Operational Revenue	R 1 355 698.50	R 1 678 761.00	R 1 760 889.00	R 2 440 664.00	R 2 632 129.00
Transfer and subsidies - Operational	R 98 798 000.00	R 100 599 341.00	R 97 224 000.00	R 97 931 000.00	R 102 769 825.00
Transfers and subsidies - Capital (monetary allocations)	R 500 000.00	R 947 983.00	R 2 799 000.00	R -	R -
Gains on disposal of Fixed and Intangible Assets	R 2 660 000.00	R 2 660 000.00	R 1 100 000.00	R 1 700 000.00	R 8 400 000.00
<b>R 307 311 901.50</b>	<b>R 311 613 288.00</b>	<b>R 325 633 653.00</b>	<b>R 297 829 242.00</b>	<b>R 195 594 528.00</b>	

Expenditure by Type	Original Budget 2025/26	Adjustment Budget 2025/26	Original Budget 2026/27	Original Budget 2027/28	Original Budget 2028/29
Employee related costs	R 173 063 626.00	R 172 252 525.00	R 185 038 633.00	R 177 066 145.00	R 123 571 563.00
Remuneration of councillors	R 7 136 333.00	R 7 136 333.00	R 7 422 516.00	R 7 904 986.00	R 8 418 816.00
Inventory consumed	R 44 121 416.00	R 45 059 237.00	R 46 454 771.00	R 35 076 580.00	R 4 400 203.00
Debt impairment	R 100 000.00	R 100 000.00	R 100 000.00	R 100 000.00	R 100 000.00
Depreciation, amortisation and impairment	R 3 696 786.00	R 3 669 786.00	R 4 850 000.00	R 4 850 000.00	R 4 850 000.00
Interest, Dividends and Rent on Land	R 1 427 236.00	R 1 427 236.00	R 1 447 236.00	R 1 435 961.00	R 1 218 776.00
Contracted services	R 35 245 300.00	R 38 668 998.00	R 34 759 370.00	R 31 308 365.00	R 26 632 302.00
Transfers and subsidies	R 1 000 000.00	R 895 000.00	R 1 000 000.00	R 798 750.00	R -
Operational cost	R 40 976 295.50	R 41 407 143.00	R 41 750 106.00	R 39 146 111.00	R 26 326 209.00
<b>R 306 766 992.50</b>	<b>R 310 616 258.00</b>	<b>R 322 822 632.00</b>	<b>R 297 686 898.00</b>	<b>R 195 517 869.00</b>	

Surplus/(Deficit)	R 544 909.00	R 997 030.00	R 2 811 021.00	R 142 344.00	R 76 659.00
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The capital programme for 2026/2027 will be financed as follows:

Type	Funding Sources	BUDGET 2026/27
CRR	Capital Replacement Reserve	R4 875 100
2	Revenue	R0
LOANS	External Loans	R20 800 000
GRANTS	Grants	R2 799 000
5	Private Contributions	R0
	<b>TOTAL</b>	<b>R28 474 100</b>

### Reserves

The accumulated surpluses will be used to finance the depreciation on assets as the full provision for depreciation is not necessarily cash backed. The financing of the depreciation will be phased in over a medium to long term period, if possible and the Capital Replacement Reserve (CRR) is annually topped up back to the R21 000 000 level from annual surpluses (community wealth) if possible.

### Loans/Borrowings

Loans are obtained with the expansion and development of Cell 5A at Karwyderskraal landfill site and other necessary infrastructure, The final development and construction will continue during the financial year.

### Sustainability of municipality

The challenge of sustainability is facing the municipality in the foresee future. The current funding model for Overberg District Municipality is not viable and will present a negative impact on the cashflow and liquidity of the municipality. Overberg District Municipality will therefore have to make difficult/critical choices to ensure sustainability for the medium and long term.

### Planned savings and efficiencies.

The following areas were identified for possible savings after the efficiency of the usage of the municipal resources have been evaluated:

- Domestic accommodation

- Travel cost
- Attendance of meetings/congresses
- Organisational structure review/employee cost
- Costing of services rendered to local municipalities
- Fuel management

## Investments

Particulars of monetary investments as of 28 February 2026

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MONTHLY INVESTMENT REPORT

OVERBERG DISTRICT MUNICIPALITY

REPORTING MONTH: February 2026

INSTITUTION	Account Type	Account number	Actual date	Balance as at		Movements for the month		Interest capitalised	Costs & Fees	Actual date	Balance as at		Interest earned	Rate
				01 Feb 26		Call Investments made	Call Investments withdrawn				28 Feb 26			
<b>Investments</b>														
Nedbank	Call Account	037881714042		11 095 688.68		10 000 000.00	- 17 800 000.00	148 899.19				3 444 587.87	148 899.19	6.65%
Nedbank	Call Account (KWK Rehab)	037881183454		7 997 927.53		136 973.64		43 860.76				8 178 761.93	43 860.76	6.65%
Nedbank	Call Account (CRRF)	037881185767		990 301.20				5 593.02				995 894.22	5 593.02	6.65%
Absa Bank	Investment Tracker (Main)	93568892970		32 989 445.95				200 154.64				33 189 600.59	200 154.64	7.20%
Absa Bank	Investment Tracker (Special)	9374585345		39 538 451.94				241 780.34				39 780 232.28	241 780.34	7.20%
<b>Total for Investments</b>				<b>R 92 611 815.30</b>	<b>R 10 136 973.64</b>	<b>R -17 800 000.00</b>	<b>R 640 287.95</b>				<b>R 85 589 076.89</b>	<b>R 640 287.95</b>		
<b>Current Accounts</b>														
Nedbank	Primary Bank Account	1176524496		1 950 367.06		- 501 102.76		-				1 449 264.30		0.00%
Absa Bank	Cheque Account	1780090062		33 260.02		126 728.39						159 988.41		0.00%
<b>Total for Bank Accounts</b>				<b>R 1 983 627.08</b>	<b>R 126 728.39</b>	<b>R -501 102.76</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 1 609 252.71</b>	<b>R -</b>		
<b>TOTAL</b>				<b>R 94 595 442.38</b>	<b>R 10 263 702.03</b>	<b>R -18 301 102.76</b>	<b>R 640 287.95</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 87 198 329.60</b>	<b>R 640 287.95</b>		

## Planned proceeds of sale of assets

The municipality budgeted for gains (R1 100 000) in 2026/2027 as revenue for municipal property that will be sold.

## Planned use of previous year's cash backed accumulated surplus.

It is planned to use the previous year's cash backed surpluses to finance important/critical service delivery and income generated capital projects, to be funded from the Capital Replacement Reserve.

Particulars of existing and any new borrowing proposed to be raised.

Borrowings are utilised for the ongoing capital project relating to the new landfill cell development in the 2026/2027 financial year. In the outer years possible additional borrowings might be considered for further development at Karwyderskraal.

Particulars of budgeted allocations and grants over the MTREF period:

- *Operating Budget*

	2026/27	2027/28	2027/28
Equitable Share	R 89 652 000.00	R 91 575 000.00	R 95 991 000.00
RRAMS	R 3 232 000.00	R 3 361 000.00	R 3 465 000.00
FMG	R 1 200 000.00	R 1 300 000.00	R 1 500 000.00
EPWP	R 1 534 000.00	R -	R -
<b>TOTAL DORA ALLOCATION</b>	<b>R 95 618 000.00</b>	<b>R 96 236 000.00</b>	<b>R 100 956 000.00</b>

- *Provincial Grants*

<b>2026/27 MTEF MUNICIPAL CONDITIONAL GRANT ALLOCATIONS:</b>			
	2026/27 Allocation (R'000)	2027/28 Allocation (R'000)	2028/29 Allocation (R'000)
<b>Overberg</b>			
<b>Vote 4 - Community Safety</b>	<b>1,230</b>	<b>1,302</b>	<b>1,406</b>
Safety Initiative Implementation - Whole Of Society Approach (WOSA)	1,230	1,302	1,406
<b>Vote 14 - Local Government</b>	<b>3,058</b>	<b>59</b>	<b>59</b>
Municipal Water Resilience Grant	1,500	-	-
Municipal Fire Service Capacity Support Grant	1,299	-	-
Municipal Service Delivery And Capacity Building Grant	200	-	-
Community Development Workers (CDW) Operational Support Grant	59	59	59
<b>Total Transfers from Provincial Departments</b>	<b>4,288</b>	<b>1,361</b>	<b>1,465</b>

- *Operational Budget*

A total of R1 489 000 was obtained from grant funding

- *Capital Budget*

A total of R2 799 000 was obtained from grant funding for capital acquisitions for the 2026/2027 financial year.

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## FUNDING ASSESSMENT FOR 2026/2027

The following table lists the factors that have been reviewed. Each of the factors is then further described below.

### **No. Funding Compliance**

- a) Cash/cash equivalent position
- b) Cash plus investments less applications
- c) Monthly average payments covered by cash or cash equivalents.
- d) Surplus/deficit excluding depreciation offsets.
- e) Property Rates/service charge revenue % increase less macro inflation target.
- f) Cash receipts % of ratepayer and other revenue
- g) Debt impairment expense % of billable revenue
- h) Capital payments % of capital expenditure.
- i) Borrowing as a % of capital expenditure (less transfers/grants/contributions)
- j) Transfers/grants revenue as a % of Government transfers/grants available
- k) Consumer debtors' change (Current and Non-current)
- l) Repairs & maintenance expenditure level
- m) Asset renewal/rehabilitation expenditure level
- n) Financial Performance Budget result
- o) Financial Position Budget
- p) Cash Flow Budget
- q) Summary question

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## Funding compliance factor description

Each of these 'funding factors' have been analysed and reviewed in their entirety prior to undertaking any analysis. Where the factor appears unfavourable and cannot be adequately motivated, the budget has been adjusted appropriately.

### (a) Cash/cash equivalent position

The municipality foresees a positive cash position for the short term, as the working capital are cash-backed. The reserves are however not necessarily fully cash backed. The cash situation seems as if it is deteriorating, as the increase in revenue (grants) is less than inflation rate while expenditure increase with more than the inflation rate. The cash flow is currently positive and the **total Cash and Cash Equivalents on 28 February 2026 is R77 201 928.**  
(C-Schedules)

### (b) Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments identified at section (a). Below are commitments against Cash and Cash equivalents as of 28 February 2026:

February 2026

Description	AMOUNTS
<b>LIQUIDITY REQUIREMENT</b>	
Unspent Conditional Grants	R6 928 892
External Loans unspent	R0
1 (one) Month Operational Expenditure	R23 350 778
Provisions	R8 828 762
Capital Replacement Reserve	R19 204 311
Loan repayments	R2 456 006
Commitments for creditor payments	R4 008 160
<b>Total Liquidity Requirement</b>	<b>R64 776 909</b>
<b>ACTUAL LIQUIDITY AVAILABLE</b>	<b>R33 838 436</b>
Total Investments	R85 589 077
Capital Replacement Reserve Fund	-R3 791 647
VAT Refund (ABSA Deposit plus)	-R39 780 232
Rehabilitation provision (KWK)	-R8 178 762
<b>Balance of Investments</b>	<b>R33 838 436</b>
Cash book - Bank Balance	R1 609 253
Equitable share received in advance	-R7 364 083
Roads Invoice claim February 2026	R11 126 427
Consumer Debtors (current – 60 days)	R4 054 827
<b>Total Liquidity Available</b>	<b>R43 264 860</b>

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**(c) Monthly average payments covered by cash or cash equivalents.**

The purpose of this measure is to understand the level of financial risk (ability to meet monthly payments as and when they fall due) should the municipality be under stress.

The municipality does recover enough cash via grants/agency fee and income from the landfill and resorts to cover its monthly average payments on the short term, but it is foreseen that, with the fact that the percentage increase in expenditure is more than the increase in revenue pose a serious risk for the municipality. Further financial risks arise if (a) the ruling by SARS indicates that VAT may not be claimed on the roads maintenance function and (b) unforeseen circumstances occur, which negatively impacts the recovery of landfill site revenue or fire services rendered to the local municipalities.

**(d) Surplus/deficit excluding depreciation offsets.**

The main purpose of this measure is to understand whether revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets.

This exercise indicates that there will be a possible surplus if the depreciation has been offset.

**(e) Property Rates/service charge revenue % increase less macro inflation target.**

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

The revenue streams for Overberg District Municipality are currently not sufficient to achieve the national inflation target; hence adjustments are required to the tariff structures to be more cost reflective as per municipal inflationary costs.

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**(f) Cash receipts % of ratepayer and other revenue**

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse an underlying assumed collection rate, i.e., how much cash is expected to be collected from current billing, charges, and arrear debtors.

The only billing performed at current is for rentals at the resorts (semi-permanent), fire services rendered and for the dumping at the regional landfill site at Karwyderskraal.

**(g) Debt impairment expense % of billable revenue**

The purpose is to measure whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) must be increased to offset under-collection.

Debt impairment is currently anticipated to the amount of R100 000.

**(h) Capital payments % of capital expenditure.**

The purpose of this measure is to mainly understand whether the timing of payments is being taken into consideration when forecasting the cash position. The measure focuses on the capital budget because expenditure levels for this component of the budget can vary significantly from month to month, as there tends to be more even anticipated monthly consistency for operational budgets.

The capital budget for 2026/27 have been focussed on service delivery capital acquisitions (landfill development), vehicles, and vehicle upgrades/refurbishments, general ICT and office equipment, hence projects to ensure the safety and sustainability of rendering services. These include additions to infrastructure, machinery, and equipment to ensure the continuation of the administration and service delivery functions.

**(i) Borrowing as a % of capital expenditure (excluding transfers, grants and contributions)**

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (via transfers/grants and contributions) should be excluded. Loan funding are utilized at Karwyderskraal for the capital expenditure as listed in the (2026/2027) capital project plan for solid waste.

**(j) Transfers/grants revenue as a % of Government transfers/grants already obtained and available**

The purpose of this measurement is to confirm that all available transfers from other government (national, provincial or district municipalities) have been included in the municipal budget, or that the transfer/grant budgets do not exceed available funds. A percentage less than 100 per cent could indicate that all Division of Revenue Bill (DORA Bill), provincial transfers or district transfers have not been budgeted and should be immediately reviewed.

The transfers/grants as per Division of Revenue Bill (DORA Bill) (100%) have been included in the revenue budget 2026/2027.

**(k) Consumer debtors change (Current and Non-current):**

The purposes of these measures are to ascertain whether budgeted reductions in outstanding debtors are realistic.

The amounts of outstanding debtors are regarded as realistic.

**(l) Repairs & maintenance (R&M) expenditure level**

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

The budgeted amount for Repairs and Maintenance amounts to **R10 456 000** (Schedule A9) which ODM budget to spend on own assets which equates to **5.53%** of Total Expenditure of R188 820 380 (excluding Roads). The Repair and Maintenance which the Roads Division is spending on Provincial Assets is not considered.

**(m) Asset renewal/rehabilitation expenditure level**

This measure has a similar objective to the R&M measures but focus on the credibility of the levels of asset renewal plans.

ODM is using a mixed approach between replace and repair of assets

**(n) Financial Performance Budget result (surplus/deficit)**

The purpose of this measure is to assess the overall budget. The municipality forecast's a positive cash position for the short term as the working capital are cash-backed. The reserves are not cash-backed. The cash situation seems to be deteriorating, as the increase in revenue (grants) is less than inflation rate while expenditure increase with more than the inflation rate, especially the wage bill which will not be sustainable in the foreseen future.

A further financial risk arises if unforeseen circumstances occur, which negatively impacts the recovery of landfill site revenue.

**(o) Financial Position Budget**

The purpose of this measure is to also assess the overall budget.

The municipalities community wealth is projected to increase from the current financial year towards the MTREF period, however, will almost stagnate during the 3 years as projected.

**(p) Cash Flow Budget**

The purpose of this measure is to also assess the overall budget. The municipality may not recover enough cash on a monthly and quarterly basis (Equitable Share) to cover its monthly average payments and might need to use surpluses in investment accounts throughout. A further financial risk arises if unforeseen circumstances occur, which negatively impacts the recovery of landfill site revenue.

The municipality continuously assess the cash liquidity monthly to ensure no cash concerns arises.

**(q) Summary**

The municipality currently project adequate cash funds collectively but will not generate enough cash to meets its operational requirements on the medium to long term if specific projects and strategies are not implemented. The financial position of the municipality is monitored daily by the relevant finance officials and reports are submitted to the Finance Portfolio Committee. Furthermore, remedial actions and corrective steps are taken.

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## 7. Expenditure on allocations and Grant Programmes

Particulars of budgeted allocations and grants over the MTREF period:

### Operating Budget

	2026/27	2027/28	2027/28
Equitable Share	R 89 652 000.00	R 91 575 000.00	R 95 991 000.00
RRAMS	R 3 232 000.00	R 3 361 000.00	R 3 465 000.00
FMG	R 1 200 000.00	R 1 300 000.00	R 1 500 000.00
EPWP	R 1 534 000.00	R -	R -
<b>TOTAL DORA ALLOCATION</b>	<b>R 95 618 000.00</b>	<b>R 96 236 000.00</b>	<b>R 100 956 000.00</b>

2026/27 MTEF MUNICIPAL CONDITIONAL GRANT ALLOCATIONS:			
	2026/27 Allocation (R'000)	2027/28 Allocation (R'000)	2028/29 Allocation (R'000)
<b>Overberg</b>			
<b>Vote 4 - Community Safety</b>	<b>1,230</b>	<b>1,302</b>	<b>1,406</b>
Safety Initiative Implementation - Whole Of Society Approach (WOSA)	1,230	1,302	1,406
<b>Vote 14 - Local Government</b>	<b>3,058</b>	<b>59</b>	<b>59</b>
Municipal Water Resilience Grant	1,500	-	-
Municipal Fire Service Capacity Support Grant	1,299	-	-
Municipal Service Delivery And Capacity Building Grant	200	-	-
Community Development Workers (CDW) Operational Support Grant	59	59	59
<b>Total Transfers from Provincial Departments</b>	<b>4,288</b>	<b>1,361</b>	<b>1,465</b>

### Capital Budget

A total of R2 799 000 was obtained from grant funding for capital acquisitions for the 2026/2027 financial year.

The above allocations and grants have been included in the operating and capital budgets.

## 8. Allocations and Grants made by the municipality.

No allocations or grants was made by the municipality except for some Provincial Safety grant that might be transferred to the local municipalities or third parties by means of separate TPA's.

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## 9. Councillor member allowances and employee benefits

Allowances and employee benefits budgeted preliminary for 2026/2027:

### *Councillors*

- Salary
- Allowances for Cell phones
- Allowances for Transport
- Contributions

### *Senior Managers of the Municipality*

- Salary
- Allowances for transport
- Contributions
- Performance Bonuses

### *Other Employees*

- Salary
- Housing Subsidy
- Long service bonuses
- Allowances for Transport
- 13<sup>th</sup> Cheque
- Contributions to medical and pension fund

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Costs to Municipality budgeted:

### *Councillors*

- |                              |                           |
|------------------------------|---------------------------|
| • Speaker (1)                | R 540 938                 |
| • Executive Mayor (1)        | R 1 139 300               |
| • Deputy Executive Mayor (1) | R 920 848                 |
| • Executive Committee (3)    | R 1 460 074               |
| • Other Councillors (14)     | <u>R 3 361 356</u>        |
|                              | <b><u>R 7 422 515</u></b> |

## Senior Managers

- Municipal Manager R 2 151 355
  - Chief Financial Officer R 1 551 931
  - Director: Corporate Services R 1 611 420
  - Director: Community Services R 1 551 704
- R 5 782 953**

Number of Councillors	23
-----------------------	----

**Number of personnel positions 420 in Total (SA 24)**

## Positions filled:

Executive Directors	4
Senior Managers	11
Other Managers and Professionals	24
Technical Staff	217
Semi-Skilled	110
Other staff members	28
Vacancies	26

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## 10. Monthly targets for revenue, expenditure and cash flow

The monthly targets for revenue, expenditure and cash flows are provided in SA 25 - Section B Supporting Tables.

## 11. Budget and SDBIP implementation plans

Information/detail regarding capital projects by vote is provided in Section B – Capital Budget.

## 12. Contracts having future budgetary implications

Loan agreement with Standard Bank to the value of R28 million for the construction of the regional landfill site Cell 4 at Karwyderskraal is concluding September 2026, a new loan for the new cell 5A development amounting R49.2 million will continue during the MTREF period.

## 13. Capital expenditure details

Information/detail regarding capital projects by vote is provided in Section B – Capital Budget.

## 14. Legislation compliance status

Overberg District Municipality complies in general with legislation applicable to municipalities.

## 15. Other supporting documents

BUDGET FRAMEWORK AND PRINCIPLES – 2026/27 MTREF – March 2026

Budget office advised CFO that a Zero-based budget approach be followed for the 2026/27 MTREF budget preparation.

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## **Approach is In line with ODM Budget policy.**


### *9.2.1. Basis of Calculation*

- a) *The principle of zero-based- and incremental budgeting shall be applied in preparing the annual operating budget*
- b) *The annual operating budget shall be based on realistically anticipated revenue.*
- c) *An income-based approach shall be used where the realistically anticipated income would be determined first and the level of operating expenditure would be based on the determined-income, thus resulting in a cash funded budget.*

## **BUDGET APPROACH AND PRINCIPLES**

- ▶ 1. Principle of zero-based budgeting
- ▶ 2. Income-based approach determining the realistic anticipated income first
  - a. Equitable share
  - b. Own revenue
- ▶ 3. Provision for fixed costs
  - a. Employee related costs
  - b. Depreciation
  - c. Finance costs
  - d. Contractual commitments
- ▶ 4. Provision for variable cost
  - a. Detailed motivations
  - b. Prioritize according to greatest need.
- ▶ 5. Maintenance projects
  - a. Preventative
  - b. Corrective
- ▶ 6. Capital Budget
  - a. Capital projects
  - b. Major capital items – Asset register
  - c. Expensed minor capital items - Inventory.
- ▶ 7. Budget according to SCM Commodities
- ▶ 8. Ensure mSCOA alignment with 7

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- ▶ 9. NO budget deficit as per MFMA Budget Circular guidelines - **BALANCED BUDGET** approach
- ▶ 10. Gains from land sales should as far as possible be utilized to fund the creation of new assets (CRR) or the repair and maintenance of existing assets (OPEX).

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# 16. Municipal Manager Quality Certification

## Municipal Manager's quality certificate


I EBEN PHILLIPS, Municipal Manager of Overberg District Municipality, hereby certify that the annual budget and supporting documents have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.

Print Name EBEN PHILLIPS

Municipal Manager of the Overberg District Municipality

Signature 

Date 30 MARCH 2026

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# SECTION B – BUDGET

## 1. Operating Budget

DC3 Overberg - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		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	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	24	-	-	25	25	25	-	-	-
Service charges - Waste Water Management	2	704	765	798	150	900	900	900	990	1 059	1 133
Service charges - Waste Management	2	10 684	14 959	17 939	18 621	18 821	18 821	18 821	20 150	21 561	22 854
Sale of Goods and Rendering of Services	2	126 105	134 592	149 427	144 147	144 997	144 997	144 997	157 842	130 358	24 784
Agency services	2	12 006	12 909	13 825	13 951	13 951	13 951	13 951	14 606	11 360	-
Interest	2	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	-	222	212	318	322	322	322	354	378	404
Interest earned from Current and Non Current Assets	2	5 904	8 163	8 052	9 202	9 202	9 202	9 202	9 500	9 500	9 500
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	12 849	13 812	14 677	16 165	16 165	16 165	16 165	17 777	19 541	20 906
Licence and permits	2	746	758	1 251	1 445	1 345	1 345	1 345	1 531	2 000	2 200
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	1 330	3 499	1 485	1 356	1 679	1 679	1 679	1 761	2 441	2 632
<b>Non-Exchange Revenue</b>											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	-	59	174	-	-	-	-	-	-	-
Licences or permits	2	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	2	89 723	90 496	91 536	98 798	106 599	100 599	100 599	97 224	97 931	102 770
Interest	2	-	-	-	-	-	-	-	-	-	-
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	691	2	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets	2	-	-	-	2 660	2 660	2 660	2 660	1 100	1 700	8 400
Other Gains	2	7 154	3 261	264	-	-	-	-	-	-	-
Discontinued Operations	2	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contribution)</b>		<b>268 097</b>	<b>283 521</b>	<b>299 642</b>	<b>306 812</b>	<b>310 665</b>	<b>310 665</b>	<b>310 665</b>	<b>322 835</b>	<b>297 829</b>	<b>195 595</b>
<b>Expenditure</b>											
Employee related costs	2	134 415	145 558	160 838	173 064	172 253	172 253	172 253	185 039	177 066	123 572
Remuneration of councillors	2	6 185	6 763	6 883	7 136	7 136	7 136	7 136	7 423	7 905	8 419
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	2,8	47 879	48 046	50 254	44 121	45 059	45 059	45 059	46 455	35 077	4 400
Debt impairment	2,3	76	853	679	100	100	100	100	100	100	100
Depreciation, amortisation and impairment	2	4 005	4 497	5 908	3 697	3 670	3 670	3 670	4 850	4 850	4 850
Interest, Dividends and Rent on Land	2	3 006	2 255	1 918	1 427	1 427	1 427	1 427	1 447	1 436	1 219
Contracted services	2	28 347	28 257	28 997	35 245	38 669	38 669	38 669	34 759	31 308	26 632
Transfers and subsidies	2	1 811	2 300	4 973	1 000	895	895	895	1 000	799	-
Irrecoverable debts written off	2	-	-	-	-	-	-	-	-	-	-
Operational costs	2	29 870	29 485	35 886	40 976	41 407	41 407	41 407	41 750	39 146	26 326
Disposal of Fixed and Intangible Assets	2	526	624	63	-	-	-	-	-	-	-
Other Losses	2	4	-	3 931	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>256 134</b>	<b>268 648</b>	<b>300 132</b>	<b>306 767</b>	<b>310 616</b>	<b>310 616</b>	<b>310 616</b>	<b>322 823</b>	<b>297 667</b>	<b>195 518</b>
<b>Surplus/(Deficit)</b>											
Transfers and subsidies - capital (monetary allocations)	6	1 219	1 961	3 031	500	948	948	948	2 799	-	-
Transfers and subsidies - capital (in-kind)	6	85	17	3 099	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>13 267</b>	<b>16 850</b>	<b>5 640</b>	<b>545</b>	<b>997</b>	<b>997</b>	<b>997</b>	<b>2 811</b>	<b>142</b>	<b>77</b>
Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>13 267</b>	<b>16 850</b>	<b>5 640</b>	<b>545</b>	<b>997</b>	<b>997</b>	<b>997</b>	<b>2 811</b>	<b>142</b>	<b>77</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>13 267</b>	<b>16 850</b>	<b>5 640</b>	<b>545</b>	<b>997</b>	<b>997</b>	<b>997</b>	<b>2 811</b>	<b>142</b>	<b>77</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>13 267</b>	<b>16 850</b>	<b>5 640</b>	<b>545</b>	<b>997</b>	<b>997</b>	<b>997</b>	<b>2 811</b>	<b>142</b>	<b>77</b>

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## 2. Capital Budget Programme – Multi Year

OVERBERG DISTRICT MUNICIPALITY - MULTI YEAR CAPITAL BUDGET FOR 2026/27 - 2028/29							
UKEY Description1	Department	FUNDING TYPE	DESCRIPTION	BUDGET 2026/27	BUDGET 2027/28	BUDGET 2028/29	
<b>DIRECTORATE: MUNICIPAL MANAGER OFFICE</b>							
			TOTAL	R0	R0	R0	
<b>DIRECTORATE: CORPORATE SERVICES</b>							
1	ICT SERVICES	CRR	DC3_Computers and Computer Equipment	450 000	400 000	700 000	
2	ICT SERVICES	CRR	DC3_Network cable roll stand	13 000	-	-	
3	ICT SERVICES	CRR	DC3_Alarm and cameras	200 000	-	-	
			TOTAL	R663 000.00	R400 000.00	R700 000.00	
<b>DIRECTORATE: FINANCIAL SERVICES</b>							
			TOTAL	R0	R0	R0	
<b>DIRECTORATE: COMMUNITY SERVICES</b>							
4	EMERGENCY SERVICES	CRR	DC3_New Vehicle	2 000 000	-	2 500 000	
5	EMERGENCY SERVICES	CRR	DC3_Refurbishing of vehicles	200 000	200 000	200 000	
6	EMERGENCY SERVICES	CRR	DC3_Bunker Clothing	300 000	300 000	250 000	
7	EMERGENCY SERVICES	CRR	DC3_Office Furniture and Appliances	30 000	30 000	30 000	
8	EMERGENCY SERVICES	CRR	DC3_Rescue Equipment	150 000			
7	EMERGENCY SERVICES	GRANTS	DC3_Water Resilience Grant	1 500 000			
9	EMERGENCY SERVICES	GRANTS	DC3_Fire Capacity Grant	1 299 000			
			TOTAL	R5 479 000	R530 000	R2 980 000	
10	ENVIRONMENTAL MANAGEMENT SERVICES	CRR	DC3_4x4 fitment of bullbar and winch	35 000			
11	ENVIRONMENTAL MANAGEMENT SERVICES	CRR	DC3_Towbar	10 000			
12	ENVIRONMENTAL MANAGEMENT SERVICES	CRR	DC3_Off road tire pump	3 000			
13	ENVIRONMENTAL MANAGEMENT SERVICES	CRR	DC3_Measuring wheel	2 700			
14	ENVIRONMENTAL MANAGEMENT SERVICES	CRR	DC3_Pollution / Alien clearing trailer	73 000			
			TOTAL	R123 700	R0	R0	
15	LED, TOURISM, RESORTS AND EPWP	CRR	DC3_Gas Conversion(Ablution x2)	180 000	180 000		
			TOTAL	R180 000	R180 000	R0	
16	MUNICIPAL HEALTH SERVICES	CRR	DC3_Furniture	30 000	20 000	20 000	
17	MUNICIPAL HEALTH SERVICES	CRR	DC3_Building	1 198 400			
			TOTAL	R1 228 400	R20 000	R20 000	
18	SOLID WASTE MANAGEMENT	LOANS	DC3_Cell 5	R20 800 000	R2 900 000		
			TOTAL	R20 800 000	R2 900 000		
			GRAND TOTAL	R28 474 100	R4 030 000	R3 700 000	

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3.



## Medium Term Revenue and Expenditure Framework (MTREF)

### TARIFFS 2026/2027

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# 1. FIRE FIGHTING

TARIFF CATEGORY	UNIT	TARIFF DESCRIPTION	TARIFF	%	TARIFF
			2025/2026 (VAT INCLUSIVE) ROUNDED		2026/2027 (VAT INCLUSIVE) ROUNDED
INCIDENTS – CALL OUT COST	Per unit	Motor pumps	R2 277	6%	R2 410
	Per unit	Service & response vehicles	R1 149	6%	R1 220
STAND-BY AND OPERATIONAL COST	Per unit /per hour	Motor pumps	R2 277	6%	R2 410
	Per unit /per hour	Service & response vehicles	R1 944	6%	R2 060
PERSONNEL	Per hour	Senior	R643	6%	R680
	Per hour	Junior	R430	6%	R460
Informal Settlement incidents will be charged per incident not per structure to the landowner.					
CHEMICALS	-	Chemicals	(Cost price + 10%) + VAT%		
PROVIDING DRINKING WATER	Per kilometre	Water	R77	6%	R82
STANDBY	Per unit per hour	Standby	R783	6%	R830
ASSISTANCE TO FIRE SERVICES	Per unit per hour		R500 / Outside district (+ Actual travel cost)		R530 / Outside district (+ Actual travel cost)
PUMPS AND EQUIPMENT	Per hour or part	Specialised pumps	R430	6%	R460
	Per hour or part	Hydraulic equipment	R1 279	6%	R1 360
	Per hour or part	Lighting	R381 plus travel cost		R400 plus travel cost
	Per cylinder	Filling cylinders	R366	6%	R390
STAND-BY FILMING	Per hour or part	Per vehicle with crew of two	R1 849	6%	R1 960
	Per hour or part	Additional crew	R764	6%	R810
TRAINING PRIVATE	Per person	First Aid level 1	R1 558	6%	R1 650
	Per person	First Aid level 3	R2 576	6%	R2 730
	Per person	Fire extinguisher basic	R1 891	6%	R2 010
	Per person	Basic Fire Fighting – 1 day	R3 093	6%	R3 280
	Per person	School children (First Aid 1)	R783	6%	R830
	Per kilometre	Transport cost	R16	6%	R17
STAND-BY	Per vehicle/boat	Special events	R850	6%	R900

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	Per hour	Medical stand-by (limited to venue or terrain)	R742	6%	R790
<b>INSURANCE INSPECTIONS</b>	-	Inspection on request of insurance	R1 461	6%	R1 550
	-	Follow-up inspection	R546	6%	R580
<b>DEMONSTRATIONS</b>	-	Conditions linked to awareness	Actual cost + VAT%		Actual cost + VAT%
<b>DIVING TEAM</b>	Per day	Diving team	R2 738	6%	R2 900
<b>LECTURE ROOM</b>	Per day	-	R1 073	6%	R1 140
<b>EXTERNAL TRAINING FACILITY</b>	Per student per day	-	R546	6%	R580
<b>OCCUPATIONAL CERTIFICATE</b>	Per unit	-	R500	6%	R530
<b>FLAMMABLE LIQUID PERMITS</b>	-	Bulk> 1000L – Industry & commercial	R2 889	6%	R3 060
	-	Small content <1000L – Farms & private	R783	6%	R830
	-	LPG	R382	6%	R410
<b>VEHICLE DANGER CONTENT HOLDING PERMIT</b>	Per vehicle	-	R1 084	6%	R1 150
<b>INSPECTION – BY-LAWS &amp; REGULATIONS (EXCLUDING CERTIFICATE)</b>	-	-	R1 073	6%	R1 140
<b>FIRE INSPECTION ON REQUEST (COMMERCIAL USE)</b>	-	-	R1 073	6%	R1 140
<b>VELD FIRE FIGHTING AS PER ACT (FIRE SUPPRESSION) – MEMBERS OF REGISTERED PROTECTION ASSOCIATION</b>	-	-	No charge		No charge
<b>VELD FIRE FIGHTING AS PER ACT (FIRE SUPPRESSION) – NON-MEMBERS OF REGISTERED PROTECTION ASSOCIATION</b>	-	-	R1 220 per hour per unit		R1 300 per hour per unit
<b>AIR SUPPORT</b>	-	-	(Cost + 10%) + VAT%		(Cost + 10%) + VAT%
<b>FLAM TRAINER</b>	Per day	With two operators	R19 110 + Travel & Accommodation Cost		R20 000 + Travel & Accommodation Cost
<b>Working on Fire Team</b>	Per Team		Variable cost + VAT%		Variable cost + VAT%
<b>SCRUTINY OF BUILDING PLANS (Safety Evaluation)</b>	Per plan	Inspection of any building	6.5% of Building plan cost		6.5% of Building plan cost
<b>SCRUTINY OF BUILDING PLANS (As built)</b>	Per plan	Inspection of any building	13% of Building plan cost		13% of Building plan cost

\*\*Note rounding has been applied to the nearest R10 in some instances.

## 2. ADDITIONAL TARIFFS

TARIFF CATEGORY	UNIT	TARIFF DESCRIPTION	TARIFF	% INCREASE	TARIFF
			2025/2026		2026/2027
			(VAT INCLUSIVE)		(VAT INCLUSIVE)
			ROUNDED		ROUNDED
<b>ADDITIONAL TARIFFS</b>	-	Any rental of equipment and vehicles-	Cost + 10% + 15%		Cost + 10% + 15%
	Per page	Photostat/A4 page	R2.30	6%	R3
	Per page	Photostat/A4 page colour	R8.03	6%	R9
	Per page	Computer printouts	R21.94	6%	R24
	Per page	Faxing	R44	6%	N/A
	Per occurrence	Faulty payments<R500	R203		R50
	Per occurrence	Faulty payments>R500	R203		R200
	Appeal	-	R1 804		R2 000
<b>NON-REFUNDABLE TENDER DOCUMENT</b>	-	Tender 9 years & 11 months +	R1 832	6%	R1 940
	-	Tender 5 – 8 years 11 months	R916	6%	R970
	-	Tender 3 years 11 months - 4 years 11 months	R515	6%	R550
	-	3 years	R458	6%	R490
	-	Less than 3 years	R286	6%	R300
	-	Banking Tender	R973	6%	R1 030
<b>INTEREST ON ARREARS</b>	Per month	Interest calculated due and payable on any balance outstanding after date specified on account	Calculated on Prime rate plus 1% pa		Calculated on Prime rate plus 1% pa

\*\*Note rounding has been applied to the nearest R10 in some instances.

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### 3. ENVIRONMENTAL MANAGEMENT

TARIFF CATEGORY	UNIT	TARIFF DESCRIPTION	TARIFF	% INCREASE	TARIFF
			2025/2026		2026/2027
			(VAT INC)		(VAT INC)
			ROUNDED		ROUNDED
ENVIRONMENTAL MANAGEMENT	Per hour	Environmental control officer (ECO) inspections	R1 088	6%	R1 150
ENVIRONMENTAL MANAGEMENT	Per Weigh Load	<b>Use of Weighbridge (ad hoc private users)</b> Commercial vehicles (Cars and Pick-ups's Campers, Caravans and Trailers)	R243	6%	R260
ENVIRONMENTAL MANAGEMENT	Per Weigh Load	<b>Use of Weighbridge (ad hoc private users)</b> Large vehicles (All Trucks and Busses)	R623	6%	R660

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#### 4. MUNICIPAL HEATH

TARIFF CATEGORY	UNIT	TARIFF DESCRIPTION	TARIFF		TARIFF
			2025/2026	%	2026/2027
			(VAT INCLUSIVE)	INCREASE	(VAT INCLUSIVE)
			ROUNDED		ROUNDED
TAKING OF ANY TYPE OF PRIVATE SAMPLES & ANALYSIS	-	All samples taken on request excluding laboratory cost** as per contract between ODM and laboratory and excluding transport costs per SARS rates*.	R687	6%	R730
S rates will be added to the application tariff laboratory cost will be added to the tariff					
CERTIFICATE FOR EXPORT OF FOOD PRODUCTS	-	-	R3 148	6%	R3 340
ISSUING OF CERTIFICATE OF ACCEPTABILITY FOR PREMISES IN TERMS OF THE NATIONAL HEALTH ACT, ACT 61 OF 2003 AND	-	Issuing of Certificates of acceptability. Once-off payment	Category tiers implemented	Cost reflective adjustment	Category tiers implemented
	-	Inspection performed to uplift a prohibition on the use of a premises or facility	R1 053	6%	R1 120
	-	Replacement of any applicable COA & Certificates due to change of ownership or person incharge within 30 Days & replacement of lost/misplaced Certificates.	R371	6%	R400
ALL OTHER MUNICIPAL HEALTH INSPECTION REPORTS/CERTIFICATES	-	Application for issuing of any health related report.	Category tiers implemented		Category tiers implemented
ISSUING OF HEALTH CERTIFICATE OF REMOVAL & SAFE DISPOSAL OR REPORT TO REMOVE OR DESTROY FOOD OR FOR FOOD PRODUCTS UNFIT FOR HUMAN CONSUMPTION	-	-	R1 164	6%	R1 230
AIR QUALITY CONTROL – COST OF LIVENING (FUEL BURNING APPLIANCES – COST OF LICENSING OF THESE APPLICATIONS WILL TAKE PLACE ON A SLIDING SCALE)	-	-			
	-	Processing Fee for application as contemplated in Section 37/44/47 of the Air Quality Act, Act 39 of 2004 – Band 1 Renewal of AEL	Tariff as per latest NT Atmospheric Emission Regulation		Tariff as per latest NT Atmospheric Emission Regulation (R5 000)
	-	Processing Fee for application as contemplated in Section 37/44/47 of the Air Quality Act, Act 39 of 2004 – Band 2 New AEL	Tariff as per latest NT Atmospheric Emission Regulation		Tariff as per latest NT Atmospheric Emission Regulation (R10 000)
	-	Processing Fee for application as contemplated in Section 37/44/47 of the Air Quality Act, Act 39 of 2004 – Band 3 Transfer of AEL	Tariff as per latest NT Atmospheric Emission Regulation		Tariff as per latest NT Atmospheric Emission Regulation (R2 000)
	-	Processing Fee for application as contemplated in Section 37/44/47 / 46 of the Air Quality Act, Act 39 of 2004 – Band 4 Variation of existing AEL	Tariff as per latest NT Atmospheric Emission Regulation		Tariff as per latest NT Atmospheric Emission Regulation (R2 000)
	-	Processing Fee for application as contemplated in Section 37/44/47 of the Air Quality Act, Act 39 of 2004 – Band 5 Control Emitter as per ODM Air Quality By-law	Tariff as per latest NT Atmospheric Emission Regulation		Tariff as per latest NT Atmospheric Emission Regulation (R5 000)
ISSUING OF HEALTH REPORT OR CERTIFICATE (Once-off) (Annual Fee)	-	Smaller than 30m2	R572	6%	R610
		Larger than 30m2	R1 145	6%	R1 210
		Supermarkets	R3 435	6%	R3 640
		Events (4days and less)	R286	6%	R300
ISSUING OF CERTIFICATE OF ACCEPTABILITY FOR FOOD PREMISES		Smaller than 30m2	R572	6%	R610
		Larger than 30m2	R1 145	6%	R1 210
		Supermarkets	R3 435	6%	R3 640
		Temporary Stall at an Event (4 days and less)	R286	6%	R300
		Trailer or Vehicle for an Event	R572	6%	R610
		MHS Event Monitoring per day per Inspector	R1 605	6%	R1 701
		Health stamp for food tender	NEW		R210

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HEALTH MONITORING OF OPENING OF GRAVES OR EXHUMATION AND/OR REBURIAL	-	-	R2 140	6%	R2 270
ISSUING OF HEALTH CERTIFICATES/REPORT AS PER MHS Bylaw (Implementation - Annual Tariff)	-	Crech Child care facility and School smaller than >100m2	R556	6%	R590
	-	Crech Child care facility, old aged home, children;s homes, nursing homes dependant on social grants	R556	6%	R590
	-	Beauty salons/hairdressers/Offensive trades - smaller than 30m2	R556	6%	R590
	-	All other creches Child care facility, schools, children's homes, nursing home, old age homes, medical waste generators, accomodation facilities, beauty salons/hairdressers and offensive traders	R1 124	6%	R1 190
SCRUTINY OF BUILDING PLANS (Health Evaluation)	Per plan	Inspection of any building plan – Cape Agulhas, Theewaterskloof and Swellendam area	6.5% of Building plan cost		6.5% of Building plan cost
	Per plan	Inspection of any building plan – Overstrand area	4.5% of Building plan cost		4.5% of Building plan cost
Urgent Inspection/application Request	New	Inspections/ Renewal applications Listed in tariff code 4.7.1 to 4.11.2 requested within 5 municipal working days or less before issuing of certificate/report is required and after expiry or late application for certificate after opening premises for operation	tariff + 100%	6%	tariff + 100%
CONSULTATION FOR ESTABLISHMENT FOR NEW PREMISES OR ACTIVITY.		Consultation for any Municipal Health & Air Quality Services			R350
ISSUING OF CERTIFICATE OF COMPETENCE FOR FUNERALUNDERTAKER OR MORTUARY PREMISES					R1 210
PEST CONTROL TREATMENT SERVICES and issuance of Certificate		Per Square Meter			R15/square meter
		Smaller than 30m2			new
		Larger than 30m2			new
		Supermarkets			new
Cancellation of application or service request					50% of applicable fee

\* SARS rates will be added to the application tariff

\*\* laboratory cost will be added to the tariff

\*\*\* any refunds must be requested within 60 days of cancellation date/not using the service.

\*\*\*\* Align with ODM By-Law

\*\*Note rounding has been applied to the nearest R10 in some instances.

## 5. ROADS

TARIFF CATEGORY	UNIT	TARIFF DESCRIPTION	TARIFF	% INCREASE	TARIFF	
			2025/2026		2026/2027	
			(VAT INCLUSIVE)		(VAT INCLUSIVE)	
			ROUNDED			ROUNDED
ROADS TARIFF	2 X posts	Erection of Tourism/Facility signs	R635.00	6%	R670	
	-	Any additional structure posts	R458.00	6%	R490	

## 6. KARWYDERSKRAAL DUMPING SITE

TARIFF CATEGORY	UNIT	TARIFF DESCRIPTION	TARIFF	TARIFF	% INCREASE	TARIFF	TARIFF
			2025/2026	2025/2026		2026/2027	2026/2027
			(VAT EXCLUSIVE)	(VAT INCLUSIVE)		(VAT EXCLUSIVE)	(VAT INCLUSIVE)
			ROUNDED			ROUNDED	
KARWYDERSKRAAL	Tonnage	Cost per tonne - dumping clean building rubble up to the size of a brick (cover material)	Free of charge	Free of charge	None	Free of charge	Free of charge
	Tonnage	Cost per tonne - Dumping of general Household waste - Private	R347.22	R399.30	0.00%	R347.22	R399.30
	Tonnage	Cost per Tonne-General Household Waste - All Municipalities	R152.54	R175.42	0.00%	R152.54	R175.42
	Tonnage	Cost per tonne - dumping building rubble (oversize/clean)	R134.85	R155.08	0.00%	R134.85	R155.08
	Tonnage	Cost per tonne - dumping contaminated builders rubble	R374.22	R430.36	0.00%	R374.22	R430.36
	Tonnage	Cost per tonne - rehabilitation contribution - municipalities	R24.65	R28.35	0.00%	R24.65	R28.35
		Annual fix cost contribution as per SLA - Overstrand LM	R4 917 368	R5 654 974.35		R4 917 368	R5 654 974.35
		Annual fix cost contribution as per SLA - Theewaterskloof LM	R1 481 959	R1 681 252.85		R1 481 959	R1 681 252.85
		Annual fix cost contribution as per SLA - Cape Agulhas LM	R736 889	R850 849.35		R736 889	R850 849.35
	Per load	Composting blend	R541	R622.00	6.00%	R573	R659.32
	Per slip	Reprint of Weighbridge slip	R157	R180.00	6.00%	R166	R190.80
	Per certificate	Safe disposal certificate	n/a	n/a	new	R239.13	R275.00
	Tonnage	Carcass disposal	n/a	n/a	new	TBD (Tariff discussion)	TBD (Tariff discussion)
	Tonnage	Asbestos disposal	n/a	n/a	new	TBD (Tariff discussion)	TBD (Tariff discussion)
	Tonnage	Sewerage Sludge	n/a	n/a	new	TBD (Tariff discussion)	TBD (Tariff discussion)
	Tonnage	Chipped garden waste or fruit waste	n/a	n/a	new	TBD (Tariff discussion)	TBD (Tariff discussion)
	Tonnage	Tree stump disposal	n/a	n/a	new	R755.00	R755.00
	Tonnage	Chipping of Garden Waste	n/a	n/a	new	TBD (Tariff discussion)	TBD (Tariff discussion)

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7. UILENKRAALSMOND RESORT

TARIFF CATEGORY	TARIFF DESCRIPTION	IN SEASON TARIFF		OUT OF SEASON		% INCREASE	IN SEASON TARIFF		OUT OF SEASON	
		2025/26 (VAT INCLUSIVE) R	2025/26 (VAT INCLUSIVE) R	TARIFF - WEEK 2025/26 (VAT INCLUSIVE) R	SEASON TARIFF - WEEKEND 2025/26 (VAT INCLUSIVE) R		2026/27 (VAT INCLUSIVE) R	TARIFF - WEEKEND 2026/27 (VAT INCLUSIVE) R	2026/27 (VAT INCLUSIVE) R	
HOLIDAY HOUSE/BUNGALOW	Bungalows per night	1 088	845	760	830	10%	1 170	930	835	
	Bungalows (sea view) per night	1 409	1 176	1 029	1 130	10%	1 550	1 290	1 130	
	Wooden House per night	1 507	1 335	1 115	1 230	10%	1 660	1 470	1 230	
	Breakage deposit (no VAT payable)	698	698	698	770	10%	770	770	770	
	Cancellation fee (Only payable if re-let)	225	225	225	250	10%	250	250	250	
	Cancellation fee per occasion (Only payable if not re-let)	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount	
CARAVAN/TENT SITES	Caravan/Tent site per night (maximum 6 persons)	637	429	282	470	10%	121	121	121	
	Caravan/Tent site per person per night (out of season only)	0	123	123	140	10%	0	140	140	
	Cancellation fee (Only payable if re-let)	225	225	225	250	10%	250	250	250	
	Cancellation fee per occasion (Only payable if not re-let)	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount	
	Access card - deposit per card	0	0	0	0	0	0	0	0	
DAY VISITORS	Day visitors per site per person per day camping site (08:00 - 17:00)	55	55	55	60	10%	60	60	60	
	Vehicle per day (08:00 - 17:00) (Excluding in-season)	0	67	67	70	10%	0	70	70	
	Mini-bus per day (08:00 - 17:00) (Excluding in-season)	0	98	98	110	10%	0	110	110	
	Bus per day (08:00 - 17:00) (Excluding in-season)	0	210	210	230	10%	0	230	230	
	Children 5 years and younger	Free	Free	Free	Free	Free	Free	Free	Free	
ADDITIONAL PERSONS/VEHICLES	Rental toilet area per 30 lit	96	96	98	118	10%	118	118	118	
	Paving the vehicle/boat per day	31	31	31	34	10%	34	34	34	
	Extra persons per site per person per day - caravan/tent sites and bungalows	110	110	110	120	10%	120	120	120	
	Extra vehicle per day caravan/tent sites, bungalows & LEASEHOLDER sites	74	74	74	80	10%	80	80	80	
	Hall hire per occasion per day (Small) (Recreational)	1 261	1 261	1 261	1 400	10%	1 400	1 400	1 400	
HALL	Breakage deposit	698	698	698	770	10%	770	770	770	
	Cancellation fee (Only payable if re-let)	225	225	225	250	10%	250	250	250	
	Cancellation fee per occasion (Only payable if not re-let)	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount	

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COUNCIL HOUSES/ WORKERS HOUSES/BUNGALOWS	Market-related	Market-related	Market-related	Market-related	Market-related	Market-related	Market-related	Market-related	Market-related	Market-related
Bungalow Rental per month (including basic services)	R5500-R7500	R5500-R7500	R5500-R7500	R5500-R7500	R5500-R7500	R5500-R7500	R5500-R7500	R5500-R7500	R5500-R7500	R5500-R7500
Workers houses (Building size)										
Water per kilo litre	11	11	11	11	11	11	11	11	12	12
Water deposit – service connection	1 348	1 348	1 348	1 348	1 348	1 348	1 348	1 348	1 480	1 480
Service deposit	2 144	2 144	2 144	2 144	2 144	2 144	2 144	2 144	2 360	2 360
Water services connection fee (per connection)	307	307	307	307	307	307	307	307	340	340
Water re-connection for defaulters	(Cost + 15%) + VAT%	(Cost + 15%) + VAT%	(Cost + 15%) + VAT%	(Cost + 15%) + VAT%	(Cost + 15%) + VAT%	(Cost + 15%) + VAT%	(Cost + 15%) + VAT%	(Cost + 15%) + VAT%	(Cost + 15%) + VAT%	(Cost + 15%) + VAT%
Plots to 150m2 (per year)	31 792	31 792	31 792	31 792	31 792	31 792	31 792	31 792	34 970	34 970
Plots 151 m2 – 200m2 (per year)	35 389	35 389	35 389	35 389	35 389	35 389	35 389	35 389	38 930	38 930
Plots 201m2 – 300m2 (per year)	39 248	39 248	39 248	39 248	39 248	39 248	39 248	39 248	43 170	43 170
Plots 301m2 – 350m2 (per year)	42 621	42 621	42 621	42 621	42 621	42 621	42 621	42 621	46 860	46 860
Plots 350m2 + (per year)	46 713	46 713	46 713	46 713	46 713	46 713	46 713	46 713	51 390	51 390

**7. UILENKRAALSMOND RESORT**

TARIFF CATEGORY	TARIFF DESCRIPTION	IN SEASON TARIFF 2025/2026 (VAT INCLUSIVE) R	OUT OF SEASON TARIFF – WEEKEND 2025/2026 (VAT INCLUSIVE) R	OUT OF SEASON TARIFF – WEEK 2025/2026 (VAT INCLUSIVE) R	% INCREASE	IN SEASON TARIFF 2026/2027 (VAT INCLUSIVE) R	OUT OF SEASON TARIFF – WEEKEND 2026/2027 (VAT INCLUSIVE) R	OUT OF SEASON TARIFF – WEEK 2026/2027 (VAT INCLUSIVE) R
LEASEHOLDER BASIC SERVICES	Blocked sewerage and water supply repair work	649	649	649	10%	710	710	710
	Sewerage connection with network (once-off)	8 747	8 747	8 747	10%	9 620	9 620	9 620
	Electricity tariff per 100 units (First 400 units)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Electricity tariff per 50 units (First 300 units)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Electricity tariff per 100 units (Between 401 and 600 units)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Electricity tariff per 50 units (Between 301 and 350 units)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Electricity tariff per 50 units (Between 350 and 400 units)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Electricity tariff per 100 units (above 600 units)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Electricity tariff per 50 units (Between 401 and 600 units)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Electricity tariff per 50 units (above 600 units)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Electricity tariff per 100 units (above 600 units)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Electricity Availability Tariff per month	123.05	123.05	123.05	10%	135	135	135
	Infrastructure Availability	55	55	55	10%	60	60	60
	Contractors vehicles per day	0	0	0	10%	0	0	0
	Registration service providers operating in the Resort	0	0	0	10%	0	0	0

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ELECTRICITY



	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000
<b>LEASEHOLDER CONTRACT ADMIN FEE</b>	Administrative costs transfer of rental agreement	0	0	0	0	0	0	0	0	0	0
	<b>Administrative costs: renewal of rental agreement</b>										
	Groups of 20 – 50 persons	0	15% discount	15% discount	15% discount	15% discount	15% discount	15% discount	15% discount	15% discount	15% discount
	Groups of 51 – 100 persons	0	20% discount	20% discount	20% discount	20% discount	20% discount	20% discount	20% discount	20% discount	20% discount
	Groups of 101 – 200 persons	0	25% discount	25% discount	25% discount	25% discount	25% discount	25% discount	25% discount	25% discount	25% discount
	Groups of more than 200 persons	0	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount
	Caravan Groups 20-50 (maximum 6 per caravan)	0	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount
	Caravan Groups 51-100 (maximum 6 per caravan)	0	40% discount	40% discount	40% discount	40% discount	40% discount	40% discount	40% discount	40% discount	40% discount
	Caravan Sites 7-14 days (6 person & 2 vehicles per caravan)	0	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount
	Caravan Sites 15-21 days (6 person & 2 vehicles per caravan)	0	35% discount	35% discount	35% discount	35% discount	35% discount	35% discount	35% discount	35% discount	35% discount
<b>REDUCED TARIFFS (EXCLUDING 10 DECEMBER – 10 JANUARY OF NEXT YEAR AND EASTER WEEKEND AND LIMITED TO ONE DISCOUNT CATEGORY PER RESERVATION.)</b>	Caravan Sites monthly tariff (maximum 2 persons & 1 Pensioners)	0	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount	30% discount
	Contractors (longer than 1 month)	-	15% discount	15% discount	15% discount	15% discount	15% discount	15% discount	15% discount	15% discount	15% discount
	Staff ( Out of season)	-	40% discount	40% discount	40% discount	40% discount	40% discount	40% discount	40% discount	40% discount	40% discount
	In Season	-	-	-	-	-	-	-	-	-	-
	Out of Season	-	-	-	-	-	-	-	-	-	-
	Week	Sunday 14:00 – Thursday 10:00	Excluding 10 December – 10 January of next year & Easter Weekend	Excluding 10 December – 10 January of next year & Easter Weekend	Excluding 10 December – 10 January of next year & Easter Weekend	Excluding 10 December – 10 January of next year & Easter Weekend	Excluding 10 December – 10 January of next year & Easter Weekend	Excluding 10 December – 10 January of next year & Easter Weekend	Excluding 10 December – 10 January of next year & Easter Weekend	Excluding 10 December – 10 January of next year & Easter Weekend	Excluding 10 December – 10 January of next year & Easter Weekend
	Weekend	Thursday 14:00 – Sunday 10:00	Sunday 14:00 – Thursday 10:00	Sunday 14:00 – Thursday 10:00	Sunday 14:00 – Thursday 10:00	Sunday 14:00 – Thursday 10:00	Sunday 14:00 – Thursday 10:00	Sunday 14:00 – Thursday 10:00	Sunday 14:00 – Thursday 10:00	Sunday 14:00 – Thursday 10:00	Sunday 14:00 – Thursday 10:00

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8. DIE DAM RESORT	TARIFF DESCRIPTION		IN SEASON TARIFF 2025/2026 (VAT INCLUSIVE)	OUT OF SEASON TARIFF – WEEK 2025/2026 (VAT INCLUSIVE)	% INCREASE	IN SEASON TARIFF 2026/2027 (VAT INCLUSIVE)	OUT OF SEASON TARIFF – WEEK 2026/2027 (VAT INCLUSIVE)
TARIFF CATEGORY			R	R		R	R
HOLIDAY HOUSE/BUNGALOW	Bungalows per night		1 201	1 017	10%	1 320	1 120
	Semi (NR3)			772	New	1 500	1 300
	Breakage deposit (no VAT payable)		696	696	10%	770	770
	Cancellation fee (Only payable if re-let)		225	225	10%	250	250
	Cancellation fee per occasion (Only payable if not re-let)	50% of reservation amount		50% of reservation amount	50% of reservation amount		50% of reservation amount
CARAVAN/TENT SITES	Access card – deposit per card		110	110	10%	120	121
	Caravan/Tent site per night (maximum 6 persons) with electricity		539	459	10%	590	510
	Caravan/Tent site per night (maximum 6 persons) without electricity		490	392	10%	540	430
	Caravan/Tent site per person per night (out of season only)		0	123	10%	0	140
	Cancellation fee (Only payable if re-let)	50% of reservation amount	221	221	10%	240	240
	Cancellation fee per occasion (Only payable if not re-let)	50% of reservation amount	0	0	50% of reservation amount	0	0
ADDITIONAL PERSONS/VEHICLES	Access card – deposit per card		0	0	10%	0	0
	Extra persons per site per person per day – caravan/tent sites and bungalows		110	110	10%	120	120
	Extra vehicle per vehicle day caravan/tent sites, bungalows & LEASEHOLDER sites		67	67	10%	70	70
	Day visitors per site per person per day camping site (08:00 – 17:00)		0	55	10%	0	60
DAY VISITORS	Vehicle per day (08:00 – 17:00) (Excluding in-season)		0	67	10%	0	70
	Mini-bus per day (08:00 – 17:00) (Excluding in-season)		0	98	10%	0	110
	Bus per day (08:00 – 17:00) (Excluding in-season)		0	214	10%	0	240
	Children 5 years and younger		Free	Free	Free	Free	Free
	Plot tariff per year		29 453	29 453	10%	32 398	32 398
	Plettenberg plot tariff per year		35 377	35 377	7%	37 854	37 854
LEASEHOLDER (INCLUDING BASIC SERVICES)	Electricity tariff per 100 units (First 400 units)		N/A	N/A	N/A	N/A	N/A
	Electricity tariff per 50 units (First 300 units)		Awaiting Overstrand tariffs	Awaiting Overstrand tariffs	Awaiting Overstrand tariffs	Awaiting Overstrand tariffs	Awaiting Overstrand tariffs
	Electricity tariff per 100 units (Between 401 and 600 units)		N/A	N/A	N/A	N/A	N/A
	Electricity tariff per 50 units (Between 301 and 350 units)		Awaiting Overstrand tariffs	Awaiting Overstrand tariffs	Awaiting Overstrand tariffs	Awaiting Overstrand tariffs	Awaiting Overstrand tariffs
	Electricity tariff per 50 units (Between 350 and 400 units)		N/A	N/A	N/A	N/A	N/A
	Electricity tariff per 100 units (above 600 units)		N/A	N/A	N/A	N/A	N/A
	Electricity tariff per 50 units (Between 401 and 600 units)		Awaiting Overstrand tariffs	Awaiting Overstrand tariffs	Awaiting Overstrand tariffs	Awaiting Overstrand tariffs	Awaiting Overstrand tariffs
	Electricity tariff per 50 units (above 600 units)		N/A	N/A	N/A	N/A	N/A
	Electricity tariff per 100 units (above 600 units)		N/A	N/A	N/A	N/A	N/A
	Electricity Availability Tariff per month		Awaiting Overstrand tariffs	Awaiting Overstrand tariffs	Awaiting Overstrand tariffs	Awaiting Overstrand tariffs	Awaiting Overstrand tariffs

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## Medium Term Revenue and Expenditure Framework (MTREF)

### MFMA Municipal Budget Circulars for the 2026/2027 MTREF





## Municipal Budget Circular for the 2026/27 MTREF

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## Introduction:

This budget circular provides guidance to municipalities on the compilation of the 2026/27 Medium Term Revenue and Expenditure Framework (MTREF). It is linked to the Municipal Budget and Reporting Regulations (MBRR) and the Municipal Standard Chart of Accounts (mSCOA) and aims to support municipalities' budget preparation processes to ensure minimum requirements are met.

Among the objectives of this budget circular is to demonstrate how municipalities should undertake annual budget preparation in accordance with the budget and financial management reform agenda by focusing on key "game changers". These game-changers include ensuring that municipal budgets are funded, revenue management is optimised, assets are managed efficiently, supply chain management processes are adhered to, mSCOA is implemented correctly and that audit findings are addressed. Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance in areas of the budget preparation that are not covered in this circular.

## 1. The South African economy and inflation targets:

South Africa's economy is expected to grow by 1.2 per cent in 2025/26, down from the 1.4 per cent estimated in the 2025/26 budget. Real GDP growth is forecast to strengthen, averaging 1.8 per cent over the medium-term, supported by a revival in investment as new infrastructure allocations take effect and reform implementation builds.

The following macro-economic forecasts must be considered when preparing the 2026/27 MTREF municipal budgets.

**Table 1: Macroeconomic performance and projections, 2023 – 2029**

Fiscal year	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Actual	Actual	Actual	Estimate	Forecast		
<b>CPI Inflation</b>	6.9%	5.9%	4.4%	3.3%	3.7%	3.3%	3.2%

Source: National Treasury Budget Review 2025.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

Headline inflation declined to 4.4 per cent in the fourth quarter of 2024/25, resulting in average inflation of 4.4 per cent for the year. Consumer inflation is projected to average 3.3 per cent in 2025/26 and 3.7 per cent in 2026/27. In the short term, reducing the inflation target to 3 per cent will result in more cuts in interest rates than would be the case under a 4.5 per cent target. Over time, a lower target will decrease inflation and inflation expectations, creating the space for permanently lower interest rates, which will support household spending and investment – boosting economic growth and job creation.

The lower inflation will support higher levels of real economic growth. South Africa's inflation target will be more in line with its trading partners and peer economies, making the economy more competitive. Household spending and private investment will rise due to higher real disposable income and lower borrowing costs.

## 2. Key focus areas for the 2026/27 budget process:



## 2.1 Local government allocations

Over the 2026 Medium-Term Expenditure Framework (MTEF), the government proposes an allocation of 9.7 per cent to local government. Local government funding is projected to increase from R192.9 billion in 2026/27 to R204.9 billion in 2028/29. In 2026/27, this increase comprises R110.6 billion for the local government equitable share, R17.6 billion from the general fuel levy sharing with metropolitan municipalities, and R64.6 billion for both direct and indirect conditional grants. The increased allocations to local government reflect the government's commitment to social protection as a cornerstone of its fiscal strategy, ensuring ongoing support for indigent populations and the expansion of critical infrastructure through conditional grants. These figures represent the preliminary fiscal framework outlined in the 2025 Medium Term Budget Policy Statement; final details will be provided in the 2026 Budget Review.

### Notable changes to the conditional grants system

The government has finalised its review of the conditional grant system and developed a range of reforms based on the results. These are reforms aimed at rationalising conditional grants and enhancing their effectiveness, and some have already been implemented in 2025/26 already. Reforms over the 2026 MTREF will include:

- **Electricity** – The merging of the Integrated National Electrification Programme grant and the Energy Efficiency Demand Side Management grant focuses on energy efficiency and renewable energy programmes that can lead to more sustainable energy provision and enable the achievement of long-term goals;
- **Water and sanitation** – The Water Services Infrastructure Grant, Regional Bulk Infrastructure Grant and Municipal Infrastructure Grant will be reviewed to address overlaps in water services provision;
- **Transport** – The Public Transport Network Grant will be phased out over the MTEF, and new arrangements will be explored for integrated public transport and improvements to higher-density housing to maximise benefits;
- **National Treasury grants** – The Infrastructure Skills Development Grant and Neighbourhood Development Partnership Grant will be discontinued and will be replaced with better-designed instruments that will simplify oversight, reduce administrative burden, and channel more resources to actual delivery;
- **Metro Trading Services** – An amount of R19.3 billion over the MTEF for infrastructure associated with municipal trading services will be shifted from the *Urban Settlements Development Grant* to the performance-based *Urban Development Financing Grant*; and
- **Municipal Infrastructure Grant** – there will be the introduction of a performance-based split delivery model (direct and indirect). An indirect delivery model will only be used to rebuild (not replace) municipal capacity. The role of MISA and DBSA in the indirect delivery models will be elevated, coupled with time-bound capability plans aimed at restoring direct funding.

We kindly advise municipalities to utilise the indicative numbers that were presented in the 2025 Division of Revenue Act when developing their 2026/27 MTREF calculations. It is also crucial to make considerations to the proposed amendments to baselines that were presented in the 2025 MTBPS, as they may have an impact. We recommend this be prioritised in all budgetary planning for the upcoming fiscal year. In terms of the outer year allocations (2028/29 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as presented in the 2025 Division of Revenue Act for 2026/27. The Division of Revenue Bill, 2025, which includes the annexures outlining allocations to each municipality is available at: <https://www.treasury.gov.za/documents/National%20Budget/2025May/>

The Integrated National Electrification Programme and the Energy Efficiency and Demand Side Management grant will be merged in the 2026 Budget to streamline electrification funding, while the Public Transport Network Grant will be discontinued due to its failure to meet intended

objectives. The phased changes arise from the review of local government conditional grants to address infrastructure delivery inefficiencies.

## Division Of Revenue Amendment Bill, 2025 (DoRAB)

### **Changes to local government allocations –**

**Additional funding to the Municipal Disaster Recovery Grant:** An additional R496 million is allocated to the Municipal Disaster Recovery Grant to support the reconstruction and rehabilitation of municipal infrastructure that was damaged by the floods and storm surges that struck the Eastern Cape between March and June 2025.

**Additional funding to the Urban Development Financing Grant:** An additional R2.1 billion is provided to the Urban Development Financing Grant to strengthen the metro trading services component. This allocation had already been provisionally set aside on a provisional basis when the main budget was presented in May 2025.

**Roll over of funds in the Public Transport Network Grant:** An amount of R303 million is rolled over in the Public Transport Network Grant to enable the eThekweni Metropolitan Municipality to proceed with essential work needed to operationalise Corridor 3 of its Integrated Public Transport Network operational.

**Reprioritisation from the Urban Settlements Development Grant (USDG) –** R5.7 billion, R6.4 billion and R7.2 billion are shifted in the respective years of the 2026 MTEF period from the Urban Settlements Development Grant to the Metro Trading Services component of the Urban Development Financing Grant to strengthen core utility functions.

**Rescheduling of BFI funding in the Regional Bulk Infrastructure Grant (RBIG) –** Over the medium term, an additional R2.1 billion is allocated to the Regional Bulk Infrastructure Grant to finance the Polokwane wastewater treatment works project through the Budget Facility for Infrastructure.

**Reforms in the Municipal Infrastructure Grant (MIG) –** Government is reforming MIG to control underspending, misuse of funds and capacity constraints. Municipalities with proven capacity will retain direct transfers, while those with ongoing capacity or governance failures will shift to indirect transfers through entities such as the Municipal Infrastructure Support Agency (MISA) and the Development Bank of Southern Africa (DBSA), supported by time-bound capability plans to restore direct access. This approach accelerates service delivery while strengthening long-term municipal capability.

### **Changes to conditional grant frameworks and allocations –**

The framework of the MDRG – Recovery will be amended to ring-fence the additional funds for the reconstruction and rehabilitation of municipal infrastructure damaged by the disasters that occurred in the Eastern Cape between March and June 2025.

The framework of the *Urban Development Financing Grant* – is amended to reflect the revised 2025/26 baseline following the additional R2.1 billion for metro trading services.

Details per municipality of the changes to allocations for the municipal disaster recovery grant, urban development financing grant, and the public transport network grant that have been described in Part 2 of the explanatory memorandum to the Division of Revenue Amendment Bill will be gazetted.

All amended frameworks will be gazetted in terms of section 15(2) of the 2025 DoRA, after consulting Parliament.

## 2.2 Reporting requirements for Disaster Allocations, Metro Trading Services Programme (MTSP) – Rollover and the stopping and re-allocation guidelines

### Reporting requirements for Disaster Allocations

The Division of Revenue Act, 2025 (Act No. 2 of 2025) (DoRA) provides for the unallocated funds to local government through the Municipal Disaster Response Grant schedule 7B (MDRG 7B) and the Municipal Recovery Grant schedule 5B (MDRG 5B). The main purpose of the MDRG 7B is to provide for the immediate release of funds for disaster response if an occurrence cannot be adequately addressed in line with section 2(1)(b) of the Disaster Management Act, 2002 (Act No. 57 of 2002) while the MDRG 5B main goal is to rehabilitate and reconstruct municipal infrastructure damaged by a disaster.

These allocations remain unallocated until a declaration of a disaster by the Minister of Cooperative Governance and Traditional Affairs (CoGTA) in terms of Section 23(1)(b) of the Disaster Management Act, 2002 (Act No. 57 of 2002).

Section 25 of the 2025 DoRA provides that:

*(3) (a) The transferring officer may, with the approval of the National Treasury, make one or more transfers of a Schedule 7 allocation to a province or municipality for a classified disaster, within 100 days after the date of the classification of the disaster.*

*(c) The National Treasury must, within 21 days after the end of the 100-day period envisaged in paragraph (a), by notice in the Gazette, publish all transfers of a Schedule 7 allocation made for a classified disaster.*

*(f) The funds approved in terms of paragraph (a) must be included in municipal adjustments budgets.*

Any additional disaster funding that may be approved by the National Treasury also through section 19 (6) of the DoRA which states that “On a joint request by the transferring officer and the National Disaster Management Centre (NDMC), the National Treasury may approve that a conditional allocation in Schedule 4, 5 or 6, or a portion thereof, be reallocated to pay for the alleviation of the impact of a classified disaster or the reconstruction or rehabilitation of infrastructure damage caused by a classified disaster. Before the National Treasury approves a reallocation, the receiving officer of the conditional allocation in Schedule 4 or 5 or the transferring officer of a Schedule 6 allocation must confirm that the affected funds are not committed in terms of any statutory or contractual obligation”. These funds will then form part of the total disaster allocation for that financial year.

Upon approval by the National Treasury either through section 25(3)(a) or section 19(6), municipalities are then required to follow all reporting prescripts in terms of DoRA. Therefore, in terms of the duties of receiving officer in respect of schedule 5 or 7 allocations, section 12 requires municipalities to report expenditure and transfers received monthly, not later than 10 working days after the end of each month. Furthermore, a municipality must submit a quarterly non-financial performance report within 30 days after the end of each quarter. Lastly, municipalities must evaluate the financial and non-financial performance of the municipality, in respect of programmes partially or fully funded by a schedule 5 allocation and submit such evaluation to the transferring officer and the relevant provincial treasury within two months after the end of the 2025/26 financial year applicable to a municipality.

In addition to the reporting requirements outlined in section 12 of DoRA, municipalities must also adhere to the reporting guidelines specified in the disaster management frameworks. They are required to implement all approved projects and ensure that allocated funds are used for their intended purposes. Municipalities should submit disaster assessment reports and funding requests, signed by the Accounting Officer to the Provincial Disaster Management Centre (PDMC) within fourteen (14) days of the disaster classification. Additionally, municipalities must provide a performance report, including supporting evidence (such as payment certificates, photographs, and invoices) demonstrating the progress of project implementation, to the PDMC within 30 days after the end of the quarter in which the funds were utilized.

### **Rollover of the Urban Development Financing Grant: Metro Trading Service Component**

Rollover requests for the incentive grant and Metro Trading Services component will follow the standard conditional grant guidelines. However, cities are required to submit applications by 31 July 2026 rather than the usual 31 August deadline. Metros are additionally required to provide their bank balances / statements as at June 2026 to demonstrate that unspent funds are cash-backed (also see the additional in-year reporting requirements in paragraph 5.12 below). Further details on the criteria and guidelines will be provided in the March 2026 MFMA Circular.

### **2.3 Metro Trading Services Reform Incentive**

#### **Metro Trading Services Reform: Implications for the 2025/26 Adjustments Budget and 2026/27 Budget Preparation**

The Metro Trading Services Reform (MTSR) is transitioning from early implementation in 2025/26 into its first full operational year in 2026/27. The reform introduces a performance-based financing incentive through the **Metro Trading Services component of the Urban Development Financing Grant (UDFG-MTS)**, designed to improve accountability, financial management, and operational performance in water and sanitation, electricity and energy, and solid waste management.

Metro trading services are participating in the reform in two cohorts, according to year of entry into the reform:

- **Cohort 1, entering the reform in 2025/26, includes:**
  - Water and Sanitation: Buffalo City, City of Cape Town, City of Johannesburg, City of Tshwane, eThekweni and Mangaung
  - Electricity and Energy: Buffalo City, City of Cape Town, City of Ekurhuleni, City of Johannesburg, City of Tshwane and eThekweni
- **Cohort 2, entering the reform in 2026/27, includes:**
  - Solid Waste Management: all metros
  - Water and Sanitation: Ekurhuleni and Nelson Mandela Bay
  - Electricity and Energy: Mangaung and Nelson Mandela Bay

This section outlines the implications for the **2025/26 adjustments budget** and **2026/27 MTREF budget** and highlights key requirements for metros.

#### **Implications for the 2025/26 Adjustments Budget (Cohort 1 metros)**

**For Cohort 1, 2025/26 is Year 1 of the MTSR**, with an in-year allocation, based on independent verification of metro compliance with reform entry requirements, to participating Water and Sanitation and Electricity and Energy trading services following the national adjustments budget in November 2025.

**Key requirements for Cohort 1 metro 2025/26 adjustments budget are:**

- **Provision for the UDFG-MTS allocation:** Cohort 1 metros must include the in-year UDFG-MTS allocation in their 2025/26 adjustments budget, following its approval in the 2025 National Adjusted budget/DORA amendment bill. This is the performance reward for submission and Council approval of A3-PIAP v1 and the making of the Minimum Commitments;
- **Ring-fencing and alignment with PIAP activities:** Adjusted budgets must ensure incentive funds are used for MTSP-related operational and capital reforms only. Budget shifts may be required to align spending with PIAP implementation, especially early reform activity packages and organisational readiness measures; and
- **Updating A3-PIAP-linked spending profiles:** A3-PIAP v1 (approved June 2025) contains indicative spending plans. These must now be reflected in adjustments budgets, with corresponding procurement plan adjustments where necessary. It is expected that these funds in the adjustments budget reflect reform start-up and priority spending, such as those associated with the Minimum Commitments, identified through financial modelling and in updated trading service business and investment plans. As Year 1 has a typical reporting schedule, metros must ensure internal systems are aligned to enable two quarterly spending reports and one annual performance report.

### Preparing the 2026/27 Budget (Cohort 1 and Cohort 2)

For Cohort 1 metro trading services, 2026/27 is the first implementation year, to achieve performance targets set in the A3-PIAP v2 (to be Council-approved by June 2026). That performance can only be verified during 2027/28. During 2026/27, Cohort 1 performance will be verified only on maintaining of the Minimum Commitments.

Budget preparation must include:

- **Funding full A3-PIAP implementation:** Operational and capital budgets must support Year 2 reform milestones, aligned with financial models and updated business and investment plans, including strengthening core management capacity, reducing technical and commercial losses, improving revenue performance, and undertaking priority network upgrades in support of the relevant A3 PIAP indicators;
- **Integrating expected incentive revenue:** Budgets must incorporate the **verified Year 1 incentive allocation for 2026/27**, reflected under the UDFG-MTS component and aligned with relevant mSCOA posting level accounts; and
- **Ensuring alignment between the A3-PIAP v2 and MTREF:** A3-PIAP v2 is the binding multi-year plan for performance measurement and should drive reprioritisation within the 2026/27 MTREF. Final sectoral allocation decisions (within the permissible Water and Sanitation, Electricity and Energy and Solid Waste Management ranges) must be reflected in the tables and adopted budgets; and

**Cohort 2 metros** entering the programme in 2026/27 must finalise and obtain Council approval of A3-PIAP v1 by June 2026 and budget for preparatory reform activities, including any diagnostic assessments, organisational restructuring, and development of business and investment plans.

### Independent Verification: role and process

The Independent Verification Agent (IVA) verifies metro performance to inform a performance score. This score is used by the grant manager to determine each trading service's share of the incentive allocation. The IVA verifies **metro performance against the Minimum Commitments** (made, achieved and maintained) and **annual performance** against scalable performance indicators.

**Metros must upload** all performance claims and evidence to the National Treasury's MTSR online portal (in development and scheduled for rollout in early 2026). Metros must also prepare

internal data, reporting and governance arrangements to use this portal from the first 2026 submission cycle onward.

The IVA timeline relevant to 2026/27 budgeting is as follows:

- 15 August 2026: first performance evidence uploads for 2025/26;
- 30 September 2026: final evidence uploads for 2025/26;
- 31 October 2026: IVA submits verification outcomes to NT grant manager;
- November 2026: National Steering Committee confirms results; and
- February 2027: incentive allocations communicated via Budget Allocation Letters from NT grant manager.

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### Streamlined and Integrated Reporting Requirements

While the MTSR includes its **own quarterly and annual reporting requirements, which are necessary for performance verification and incentive administration**, the reform has been explicitly designed to **leverage existing metro reporting systems** to avoid duplication or unnecessary administrative burden.

The MTSR therefore aligns with and draws upon: **mSCOA implementation; Section 71 monthly and quarterly reporting; MFMA Circular No. 88; and conditional grant reporting.** MTSR seeks to **minimise additional reporting** and strengthen existing systems rather than create parallel processes.

### Reference to Existing Guidance

This Circular should be read together with: **MTSR Guidance Notes 1–5, MTSR Guidance, Note 4 Addendum Indicator Definition Addendum, MTSR Sector Resource Documents (W&S, E&E, SWM), the forthcoming MTSP Programme Operations Manual (POM), 2025, UDFG Framework and any further technical guidance.**

### 2.3 Criteria for the release of the Equitable Share

The criteria for the release of the equitable as covered in MFMA Circular No. 122 remain relevant and are still applicable to the release of equitable share instalments in the **2026/27 financial year.**

Failure to comply with the criteria will result in the National Treasury invoking section 38 of the MFMA which empowers National Treasury to withhold a municipality's equitable share if the municipality commits a serious or persistent breach of the measures established in terms of Section 216(2) of the Constitution which includes reporting obligations set out in the MFMA and National Treasury requests for information in terms of Section 74 of the MFMA.

The following criteria will be applied in relation to **addressing UIFWe and the implementation of consequence management as required in terms of Chapter 15 of the MFMA**, read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings:

- The municipality's **UIFWe balance (audited) as at 30 June 2025 has not decreased by 75 per cent in the unaudited 2025/2026 AFS as submitted to the AGSA;**
- The municipality did not have a **disciplinary board in place as at 30 June 2026; and/or**
- Notwithstanding the municipality having a DC Board in place, **not all UIFWe matters have been referred to the DC Board during the 2024/2025 financial period and/or**
- Municipalities have **not instituted disciplinary measures stemming from UIFWe incurred up to 30 June 2025 in the 2025/26 financial year.**

The National Treasury will start using the prevention of UIFWe as required in terms of sections 62 and 78 as a criteria from the 2026/27 financial year. It is therefore crucial for municipalities

to start implementing measures to curb the incurrence of UIFWe as required in terms of sections 62 and 78 of the MFMA.

In addition, those municipalities currently under mandatory intervention in terms of Section 139(5) of the Constitution and who fail to comply with submitting monthly progress reports on the implementation of the financial recovery plan in terms of Section 146(1)(c) of the MFMA, will also be eligible to have their equitable share allocations withheld with effect from the 2026/27 financial year.

The Joint Circular issued by the Ministers of CoGTA and Finance on 8 September 2025 with regard to Free Basic Services will also be considered as a criteria going forward.

## 2.4 Stopping and re-allocation guidelines

Following the 2025/26 mid-year expenditure reports (second quarter) in terms of section 10 of the 2025 DoRA and section 72 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), National Treasury intends to invoke section 18 of DoRA which provides that the National Treasury may in its discretion or on request of a transferring officer or a receiving officer stop the transfer of a schedule 4B or 5B allocation, or a portion thereof to a municipality if the National Treasury anticipates that a municipality shall substantially underspend on the allocation, or any programme, partially or fully funded by the allocation, in the 2025/26 financial year. Further, in terms of section 18(2) of DoRA, a request by a transferring officer or a receiving officer to stop the transfer of a schedule 4B or 5B allocation, or a portion thereof must be submitted to the National Treasury by **31 January 2026**.

As part of the annual process for the stopping of the grants that underperform, National Treasury will engage with transferring officers to identify municipalities that are at risk of underspending based on their in-year performance using both the performance reports submitted by transferring officers and the verified *mSCOA* data strings. While the process remains standardised across departments, a differential approach may be applied where justified. This recognises that certain grants may face distinct performance dynamics. However, this process will not compromise overall consistency, fiscal prudence or accountability.

### Stopping criteria

National Treasury will within 14 days from receiving the recommendations from the transferring officers issue letters to municipalities with the intention to stop the allocations based on recommendations from transferring officers and/or at the National Treasury's own discretion/assessment. Municipalities are requested to submit representations to National Treasury, providing motivation for the following:

- Expenditure reported as at 31 December 2025 (40 per cent for allocations under R100 million and 45 percent for allocations over R100 million);
- Progress report against approved projects (provide list/names of approved projects);
- Representation on the cash coverage for grants transferred (ring fencing) (Liquidity ratio);
- Representation on the initial cash flow projections against actual performance;
- Progress report on any approved rollover for 2025/26 financial year;
- Commitment that the allocated funds are committed and that they will be fully spent by the end of the financial year, 30 June 2026, i.e., commitment that the municipality will not request rollovers against the funds proposed to be stopped;
- Representation on all projects awarded after the second quarter of the municipal financial year as at 31 December 2025;

- Representation on any commitments made against Supply Chain Management Regulation 32 projects in terms of the Supply Chain Management policy and chapter 11 of the MFMA and progress made against these projects;
- Declaration by the municipality on the amount that should be stopped by National Treasury where the municipality anticipates that it will not fully utilise grant funds before 30 June 2026;
- All reporting must be accurate and aligned to mSCOA system; and
- An acceleration plan against the 2025/26 approved implementation plan.

The National Treasury will then give notice in the Gazette of the stopping of an allocation or a portion thereof in terms of section 18 (5), and include in the notice, the effective date and reason for the stopping.

### Reallocations:

According to section 19 of DoRA, when a schedule 4B or 5B allocation, or a portion thereof, is stopped in terms of section 18, the National Treasury may, after consultation with the transferring officer and the relevant provincial treasury, determine the portion of the allocation to be reallocated, as the same type of allocation as it was allocated originally, to one or more provinces or municipalities, on condition that the allocation must be spent by the end of the 2025/26 financial year.

Once stopping of funds has been confirmed through consultation, National Treasury reassesses the performance and reallocates funds to municipalities that demonstrate capacity to absorb additional allocations. Reallocation follows a structured sequence guided by the points mentioned below to preserve the benefit of funds within the original location. Funds are allocated:

- First within the same district;
- Then within the same province; and
- Only then nationally, in cases where no suitable recipient exists within the province.

Municipalities become eligible for additional funding if they have spent at least 70 per cent or more of their original allocation, have credible and shovel-ready projects, demonstrate strong compliance with MFMA and DoRA reporting requirements and maintain realistic cash-flow projections. Historical performance including their ability to manage additional allocations in previous years is also considered.

Where applicable, Water Services Authorities may be prioritised for water and sanitation projects due to service delivery imperatives, while non-WSA municipalities may receive priority for well-prepared and impactful roads projects.

## 3. 2026 Local Government Elections and the budget process

### 3.1 Transitional processes – development and adoption of IDPs during the 2026 election year

The 2025/26 municipal financial year represents the last year of the current municipal councils' electoral term. The the next municipal election to usher in new councils is expected to take place between November 2026 and January 2027 in terms of section 24(2) of the Municipal Structures Act, 2000 (Act No. 32 of 2000) (MSA).

It is acknowledged that the period within which the coming election's date is expected takes place after the start of a new financial year. This scenario poses a latent challenge in so far as adherence to legislated timeframes regarding the adoption of the 5-year Integrated Development Plan (IDP) and the subsequent implementation.

Given the fact that the IDP and budget would need to be reviewed and adopted by 30 June 2026, the current council has an obligation to ensure that these stipulations are complied with. In this regard, the current council is expected to continue reviewing the IDP and ensuring that it is adopted within the legislated timeframe.

Section 25 (3) of the MSA does allow the municipal council to adopt the IDP of the preceding council. However, should the incoming council be unhappy with the priorities set by the current council, in this case, municipal councils are advised to consider the existing adopted IDP and resolve to initiate or not to initiate an amendment procedure as guided by the MSA and the Municipal Performance and Planning Regulations (2001).

The Department of Cooperative Governance (DCoG), through the Chief Directorate: Development Planning, is rolling out the revised IDP guidelines to municipalities. These guidelines are aimed amongst others, at guiding municipalities regarding the adoption of IDPs during an election year.

### 3.2 Hand-over reports for the newly elected councils

Each municipal manager, working together with the CFO and senior managers, is encouraged to prepare a hand-over report that can be tabled at the first meeting of the newly elected council. The purpose of this hand-over report is to provide the new councils with important orientation information regarding the municipality, the state of its finances, service delivery and capital programme, as well as key issues that need to be addressed.

It is proposed that the hand-over report should include:

- An overview of the demographic and socio-economic characteristics of the municipality;
- An overview of the organisational structure of the municipality, with the names and numbers of senior managers;
- An overview of key municipal policies that councillors need to be aware of, and where they can obtain the full text of such policies;
- An overview of issues that still need to be addressed in relation to the municipality's turnaround strategy (where applicable);
- An overview of the municipality's financial health, with specific reference to:
  - Its cash and investments, and its funding of commitments (Table A8);
  - Cash coverage of normal operations (see Supporting Table SA10);
  - Creditors outstanding for more than 30 days and the reasons for delayed settlement;
  - Current revenue collection levels and debtors outstanding for more than 30 days; and
  - The extent of existing loans and associated finance and redemption payments.
- The municipality's 2024/25 audit outcome and its strategy to address audit issues;
- An overview of the provision of basic services, including plans to address backlogs;
- An overview of the state of the municipality's assets, with particular reference to the asset management plan, and repairs and maintenance requirements;
- A list of the main infrastructure projects planned for the 2026/27 budget and MTREF;
- A list of key processes requiring council input over the next six months, e.g. revision of the IDP, approval of specific policies etc. and
- Any other information deemed to be important to the transitioning process.

In addition to the hand-over report, each new councillor should be given the municipalities' revised IDP, the adopted 2026/27 MTREF budget, the mid-year budget and performance

assessment report for 2026/27, the latest monthly financial statement, and the annual report for 2024/25.

Municipal managers should submit their municipality's hand-over report to the relevant provincial department responsible for local government, to the Department of Co-operative Governance (DCoG) and National and Provincial Treasuries.

## 4. Revenue Management

### 4.1 Prioritise funding the Electricity Revenue Protection Programme

Past years' increasing electricity tariffs continue to strain consumers' ability to afford this service. Municipalities (with the electricity function) as a result, at higher risk of non-technical losses, particularly related to theft and illegal by-passing. Many municipalities do not have dedicated Revenue Protection staff in place or have reduced their operational funding for Revenue Protection culminating in reduced collections and a related strain on cash flow and the ability to pay creditors. Municipalities are advised to prioritise the following Revenue Protection measures in 2026/27 and future MTREFs if not already implemented:

- A dedicated Revenue Protection Unit for Electricity, Water, Wastewater and Refuse services administered by the senior manager responsible for the municipal Electricity Infrastructure Directorate, taking into consideration the recommendations and standards set out in NRS055 (Code of Practice for Revenue Protection);
- Allocating adequate funds in the budget to fund the municipality's Electricity, Water, Wastewater and Refuse services and the Revenue Protection Unit's operational needs;
- In allocating funding, the business threat of increasing non-technical losses to the municipality's particular specifics must be considered to achieve a balance, while ensuring the Revenue Protection staff organogram and operational program is adequately funded and able to fulfil its role;
- The municipality to demonstrate in its MTREF submission (narrative and *mSCOA* data strings) that a percentage of the revenue from the Energy, Water, Wastewater and Refuse function is ring-fenced to fund the municipal Revenue Protection Programme operational need(s) towards developing the program to fruition; and
- The municipality must implement the Municipal Systems Act principle of consolidated billing and strengthen the revenue policies to use electricity and water (in Eskom supply areas or where the municipality does not have the electricity function) to collect on the consolidated municipal bill. The policies should explicitly provide for credit control in this manner.

### 4.2 Revenue Management Assessment Tool

Every municipality, in anticipation of the annual budget process and its review of critical revenue management related policies, should assess and review its revenue management value chain to identify any gaps, duplications, and / or inefficiencies, aligning with the approved organogram and related delegations. Refer to MFMA Budget Circular No. 126 (Annexure B: Submission checklist: Revenue Management Documents), MFMA Budget Circular No. 128 (Item 7.3 contained in Annexure A) and MFMA Budget Circular No.130 (Item 3.2 contained in Annexure A). The municipality is required to annually submit its assessment or review thereof to the National Treasury in the format of the Municipal Revenue Management Assessment Tool – to be uploaded to the National Treasury GoMuni upload portal annually as part of the Revenue Management Documents that are required.

The Revenue Assessment Tool was developed through the collaboration of the National Treasury, the Department of Cooperative Governance (DCoG) and the South African Local Government Association (SALGA) to integrate and align our support in this area, prevent duplicated efforts and facilitate stronger and systemic change across municipalities through the Single Integrated Revenue Management Framework (SIRMF).

The SIRMF is a national framework for revenue management that guides and outlines the intervention and leadership role both municipalities and oversight bodies should play in addressing challenges relating to the revenue management value chain and ultimately financial sustainability. The SIRMF emphasises the significant role of National and Provincial Government in supporting municipalities in the process of revenue management improvement and how the relevant departments will coordinate their support and their monitoring and evaluation role(s).

The SIRMF aligns with the existing statutory framework and emphasises compliance. The related tasks and responsibilities set out in the SIRMF provides guidance on how municipalities can enhance revenue management as a key approach to increasing the municipality's viability and sustainability. Completing the Municipal Revenue Assessment Tool can assist the municipal council, senior management team and oversight bodies to assess, understand, and improve critical revenue management practices of the municipality.

The tool provides an indication of gaps, flaws, duplications, inefficiencies, and risks in the existing revenue value chain that could compromise or affect whether the revenue component of the budget sufficiently caters for long-term planning and is credible and funded. It further provides a comprehensive overview of current revenue management processes by identifying strengths, weaknesses, and areas that need improvement. The tool focuses on eighteen (18) critical areas within the revenue management value chain and helps pinpoint specific areas to optimise revenue collection processes ultimately.

All municipalities had to complete the tool during the 2025/26 MTREF and are required, as part of the upcoming 2026/27 MTREF preparation process to thoroughly review the revenue value chain and affect changes to the tool reflective of such review as may be needed. As part of the review, the municipality must record clear progress and corrective actions undertaken in relation to each focus area identified during the municipality's 2025/26 compilation of the tool. It is noted that municipalities with revenue collection rates below 85 per cent (per the 2024/25 annual financial statements (AFS) and all municipalities participating in both the Municipal (Eskom) and or Water Debt Relief programs must annually undertake the full exercise (not only a review) until they achieve an average annual collection of 95 per cent as outlined in MFMA Circular No. 71.

The National Treasury recently strengthened Functional Area nine (9) – Finance Department Functions of the tool to enable municipalities to capture comments under this functional area. With effect from December 2025, any municipality compiling and or reviewing its revenue value chain as required in terms of this circular must use the **updated Municipal Revenue Assessment Tool included as Annexure A to this Circular**. The entire tool must be uploaded together with all the required worksheets included.

### 4.3 Cost Reflective Tariff Tool

As part of the budget process, the municipality must annually undertake an assessment to determine if the intended and implemented tariffs are cost reflective, whether all critical cost components were considered in the tariff calculation(s), whether the Local Government Equitable Share component relating to basic services were allocated to the actual service(s) and to demonstrate that the Revenue Component of the budget is credible and funded; etc. To facilitate this exercise, the municipality must complete and submit this calculation(s) and or tariff assessment in the format of the National Treasury Tariff Tool as part of its tabled, adopted and adjusted MTREF submissions to the National Treasury GoMuni portal (refer MFMA Budget



Circular No. 129. The Cost Reflective Tariff Tool outcomes must also be reported to and approved by Council as part of the respective tabled and adopted MTREF submissions.

If the Tariff Tool indicates significant tariff shortfalls, any major tariff increases should be phased in over two to three years and can be approved for the outer years (2027/28, 2028/29 and 2029/30). Thus, the indicative tariffs should be phased in over a period of three years.

The National Treasury Tariff Tool was updated to provide alternative methods of wastewater tariff modelling and to allow municipalities to allocate the municipality-specific percentage of indirect cost allocated across the different services. The municipality must ensure that the percentage allocated to indirect costs used in the Tariff Tool compilation perfectly aligns with the municipality's Budget- and Tariff-related Policies submitted as part of the tabled, adopted, and adjusted MTREF submissions. With effect 2025/26 (Quarter 3), metropolitan- and secondary cities are also required to complete and upload the Cost Reflective Tariff Tool in the National Treasury Tariff Tool format to the GoMuni portal as part of the tabled, adopted, and adjusted MTREF submissions.

Should the municipality through the completion of the Tariff Tool identify major flaws and or gaps in any tariff, the National Treasury recommend it is prudent for the municipality to undertake a full Cost of Supply study (COS) for that service since tariff gaps may be indicative of an unfunded revenue component of the municipality's MTREF. With effect from 2025/26 (Quarter 3), all municipalities must use the **updated National Treasury Tariff Tool included as Annexure B to this Circular. A Tariff Tool procedural manual is also included in Annexure B to this Circular** to assist municipalities in undertaking the Tariff Tool exercise.

#### 4.4 Electricity Tariffs

##### **Cost of Supply Study (COS) and NERSA D-forms for electricity tariff applications**

The submission of tariff applications is an obligation enshrined in the Electricity Regulation Act, 2006 ('ERA') (as amended), read with the MFMA and incorporated in the licence conditions of licensees (also municipalities). **Municipalities are therefore reminded that all municipal tariff applications for the 2026/27 financial year must be accompanied by the required Cost of Supply (COS) studies and submitted to NERSA before the outer deadline of 12 December 2025.** Failure to comply with these requirements will result in the **municipality being prohibited from making any adjustment to the electricity tariffs for the 2026/27 financial year.** NERSA already confirmed to municipalities that only complete municipal applications received before 12 December 2025 will be processed and approved for implementation with effect from 01 July 2026.

Failure to apply to NERSA for approval of tariffs is a breach of the licence conditions and a violation of the provisions of the ERA. **Section 15 of the ERA prevents any licensee from charging a tariff that is not approved by the Regulator.** Licensed distributors should note that their current tariffs will expire on 30 June 2026 and that there will be no automatic extension, as the tariffs are approved annually.

To facilitate timely submissions to NERSA and the opportunity to supplement where NERSA identify any gaps in municipal submissions, the National Treasury urges municipalities to annually before 31 October submit to NERSA and subsequently upload to the GoMuni Portal, the municipality's:

- Latest **updated and or reviewed COS** (approved by Council) supporting its Electricity tariffs application for the MTREF to NERSA and parallel upload such to the GoMuni Revenue Portal. The COS must be uploaded to the GoMuni Revenue Portal in PDF format (the content must be in the NERSA content format), and include a file heading of: **"Demarcation Code\_Municipality Name\_Cost of Supply Study (period)";**

- **NERSA D-forms** submitted to NERSA, supporting its Electricity tariffs application for the 2026/27 MTREF to the GoMuni Revenue Portal in the Excel format required by NERSA, and include a file heading of: "**Demarcation Code\_Municipality Name\_NERSA D-form (period)**"; and
- **NERSA's letter approving the municipality's energy tariffs** for the MTREF annually with the tabled and adopted MTREFs. The municipality must upload the letter with the correct saving convention: "**Demarcation Code\_Municipality Name\_NERSA tariff approval (period)**".

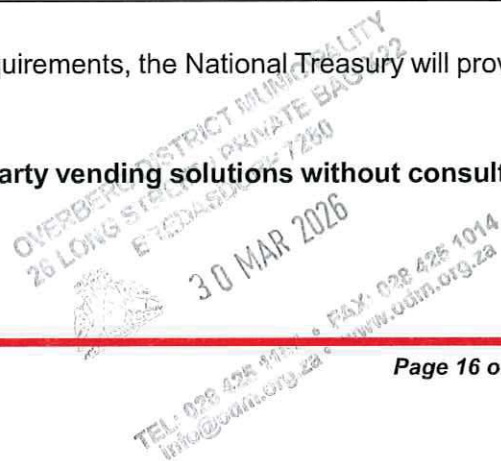
**4.5 Municipal Valuation Roll Reconciliation Tool**

Reference is made to MFMA Circulars No. 93 (paragraph 3), No.98 (paragraph 4.1), No. 123 (paragraph 5.1), No. 126, (paragraph 3.1), and No. 130 (paragraph 3.5). To ensure the municipality's rates base is complete, aligns with the Municipal Property Rates Act (MPRA) section 23-Part A: Register of the latest consolidated general valuation roll (GVR), and the MPRA categories. With effect 2025/26 (Quarter 3), the municipality needs to monthly undertake the reconciliation in the format of the **updated National Treasury Municipal Valuation Roll Reconciliation Tool included in Annexure C to this Circular**. Municipalities will note that although, the tool interface remained the same, changes were made to some formula calculations to simplify the municipal experience of the tool.

<b>The municipality must submit the completed tool together with the related documentation to the National Treasury GoMuni portal as follows:</b>	<b>Timeframe</b>
1. The municipality's list of Property Rates tariffs approved by council for the financial year reported on, together with the Council resolution that approved such.	Annually, with the tabled and adopted MTREF's
2. The municipality's time schedule for implementing its new general valuation roll (GVR) (aligned to the MPRA).	Annually
3. The Municipal Property Rates Act (MPRA) (section 23): Part A Register of the latest consolidated general valuation roll (GVR).  <i>**Note – The municipality to submit an updated Part A GVR to the GoMuni portal every time that it undertakes a supplementary GVR.</i>	Annually or every time that a supplementary GVR is undertaken
4. Municipality Valuation Roll Reconciliation – undertake monthly but only required to submit quarterly. The monthly reconciliation should be maintained and made available on request to the Treasuries and or the Department of Cooperative Governance (DCoG).	Quarterly and only upon request of NT / relevant PT / CoGTA monthly
5. Property Rates Transaction List (for the 3rd month of every quarter) – in excel format.	Only upon request of NT / relevant PT

To assist municipalities in complying with these requirements, the National Treasury will provide follow-up training.

**4.6 Prohibition on vending system(s) / third party vending solutions without consulting the National Treasury**





Municipalities are cautioned on the iterations on private service offerings of vending system(s) / solution(s) offered to municipalities. These include service provider(s) funding metering solutions for municipalities, parallel to a pre-paid solution (requiring a vending platform) – these service providers then collect on behalf of the municipality in exchange for a fee. However, in several cases, the service provider does not remit to the municipality what is collected and /or claims a fee that is out of proportion to what is reasonable. This is worsened by many municipalities not undertaking weekly /monthly reconciliation of what they provide / sell (also via prepaid) vs. the revenue they receive from the service provider(s).

The MFMA, read together with the recently assented Public Procurement Act, provides a clear framework for procurement in local government. The MFMA regulatory framework, in terms of section 116, read with MFMA Circular No. 62, furthermore, provides clear guidance on how amendments to contracts should be undertaken. In our view, any offerings beyond the initial scope of the contract should not be considered a contract amendment but rather a material change or extension of scope, warranting a whole new separate procurement process.

The National Treasury therefore confirms that with immediate effect, no municipality may enter into or extend any related vending system(s) / solution(s) without the views of the provincial and National Treasury. Should any municipal official and / or political office bearer fail to honour this prohibition, she / he could render themselves personally liable for any related financial loss over and above potential criminal liability for financial misconduct.

Any municipality procuring must first request the National Treasury and relevant provincial treasury for written input. The municipality should send any request for the written input of the National Treasury together with the proposed contract for such a service offering to: both [RevenueManagement@treasury.gov.za](mailto:RevenueManagement@treasury.gov.za) and [RT29.LGBA@treasury.gov.za](mailto:RT29.LGBA@treasury.gov.za) and [Wayne.McComans@treasury.gov.za](mailto:Wayne.McComans@treasury.gov.za) for the attention of Mr. Sadesh Ramjathan, Director: Local Government Budget Analysis: Revenue Section, and Mr. Wayne McComans, Chief Director: MFMA Implementation and parallel to the relevant Provincial Treasury.

Municipalities are advised that the Office of the Chief Procurement Officer (OCPO) will soon initiate a tender process for a transversal contract establishing a panel of vending service providers. In the interim, until the panel is awarded and operational, municipalities must obtain prior written approval from National Treasury before procuring any new vending service providers. Permission to proceed with any such vending contract will only be authorized with the express written permission of National Treasury. Once the panel is awarded and operational, municipalities must procure vending services from the approved vendors. Should a municipality elect not to utilise the transversal contract, a comprehensive motivation, including full reasons, must be submitted to National Treasury for consideration.

#### 4.6A Smart Meter end-to-end solutions

“Smart Meters” means meters that are components of an integrated end-to-end solution procured under the National Treasury’s transversal contract **RT29-2024**, or any future transversal contract replacing RT29-2024. This solution includes smart meter hardware, installation, the central platform, systems integration, training and skills transfer, support, and ongoing monitoring.

Municipalities are reminded that a smart meter is not just the physical device and are cautioned against only procuring the meter hardware. The latter is insufficient and will not deliver the intended benefits of smart metering. The full value is realised only when the meter is connected to a functioning platform, integrated with the billing system, supported by trained staff, and monitored continuously. Buying only the device is similar to purchasing a cell phone without a SIM card and network service: the handset exists, but the core functionality is unavailable. The same principle applies to smart metering.

The integrated solution under RT29-2024 is designed to support key municipal priorities:

- Improved service delivery through accurate, timely consumption data, fewer billing disputes, and quicker identification of faults and tampering;
- Financial sustainability through better revenue collection, reduced technical and non-technical losses, and more reliable cash flow; and
- Transparency and accountability through auditable metering data, consistent reporting, and better information for council, management, and oversight bodies.

An end-to-end solution ensures seamless data transfer from the meter to the back-office systems, enabling automated billing, exception reporting, and management dashboards. It also embeds structured training, and skills transfer so that municipal officials can operate and manage the system, rather than relying indefinitely on service providers. Support and monitoring components are essential to keep the system stable, secure and functional over time.

Municipalities are cautioned against partial procurement, such as buying only the meter hardware or bypassing the transversal contract for individual components. This often results in:

- Incomplete or manual integration with billing and finance systems;
- Limited or no training and skills transfer to municipal staff;
- Weak monitoring and reporting, undermining loss-reduction and revenue-enhancement efforts; and
- Poor value for money, project failures and potential audit concerns.

Municipalities are encouraged to use plain language when communicating smart metering projects internally and with council. Avoid unnecessary technical jargon and frame the discussion around strategic objectives: better service delivery, stronger revenue, and improved governance. It is useful to briefly explain to council as part of any decision-making process related to smart metering:

- why the full integrated solution is required;
- reference the terms and safeguards built into RT29-2024 or its successor;
- the components of the smart metering solution (meter, communication, platform, integration, training, support, monitoring); and
- The risks of procuring only one component versus an end-to-end system; etc.

It will assist non-technical stakeholders to better understand and assess the difference between a “device-only” purchase vs a true smart metering solution towards facilitating that any smart metering procurement is well planned, budgeted and implemented as a complete, integrated solution envisaged in RT29-2024.

**4.6B Large Power Users (LPU) – Advanced Metering Infrastructure (AMI)**

Advanced Metering Infrastructure (AMI) for Large Power Users (LPUs) is not a technical luxury. It is a core financial control that helps municipalities stabilise cash flow, protect the bulk supply (i.e. Eskom) account, and reduce audit findings related to billing and losses. The National Treasury urges municipalities to treat AMI as essential revenue infrastructure and to plan, fund and implement for such accordingly.

Municipalities manage a large number of meters and should invest in bulk intake points to reconcile the volume of electricity consumed. If the LPU (Three Phase Direct Connect and

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Three Phase CT/VT Connect) are not measured accurately, the municipality will under-bill, lose revenue, and struggle to reconcile its bulk electricity (i.e. Eskom) account. AMI directly addresses this risk.

Three Phase Direct Connect Smart Electricity Meter and Three Phase CT/VT Connect Smart Electricity Meter requires Cellular Communication & Platform access – these smart meters require 2-way communication to transmit data from the meters to the Head-End System or Dashboards and vice versa.

A current transformer (CT) is a device that acts as a step-down transformer to be connected to metering devices. It is used with AMI to measure the large current for meters/ relays etc. LPU customers normally have potential transformers (PT's) also known as a Voltage Transformers (VT) as part of the customer metering. By capturing the full load of these customers, smart LPU meters close gaps where older or incorrect metering leads to under-registration and hidden revenue leakage. Three-phase meters are critical for industrial and commercial users with complex load profiles. They support correct billing for businesses, reduce disputes and manual corrections, and improve predictability of revenue from this important customer group.

Check meters at bulk intake points provide an independent reading against which bulk supply invoices can and should be reconciled. This strengthens the municipality's position when validating bulk charges, detecting errors quickly and supporting credible disputes where required. Zonal meters divide the distribution network into manageable areas and make it possible to identify where technical and non-technical losses are concentrated, instead of relying on system-wide estimates. Statistical meters provide the data needed for demand forecasting, tariff design, and investment planning, including time-of-use and other advanced tariff structures.

In combination, CT/VT direct connect meters, three-phase meters, check meters, zonal meters and statistical meters give municipalities the ability to eliminate billing anomalies, reduce losses and strengthen cash flow. For example, correcting even a modest under-billing of five per cent on the top twenty LPUs can generate additional annual revenue sufficient to cover a substantial portion of the capital or lease cost of the metering programme.

Over the 2026 MTREF and beyond, municipalities are expected to identify all LPUs, bulk intake points and key zones that must be brought onto AMI, and to prioritise funding for this rollout ahead of non-essential projects. AMI commitments should be clearly reflected in the capital budget, the revenue-enhancement or loss-reduction strategy, and in the assumptions used for medium-term revenue projections. AMI data must also be used to refine tariff models, update loss-reduction targets, and support the monthly MFMA Section 71 in-year monitoring and reporting.

National Treasury and sector stakeholders will increasingly rely on AMI-derived information to assess revenue performance, system losses and the risk of non-payment of bulk supply. Municipalities are therefore encouraged to plan and fund AMI as a central part of their financial recovery and sustainability agenda, rather than as a stand-alone ICT or technical project.

**4.6C Request for Meter Statistical Information in terms of MFMA Section 74**

The National Treasury, in terms of MFMA section 74 requests municipalities to provide certain minimum statistical meter information and in the format of the **“Meter Statistical information – Water and Electricity” workbook included as Annexure D to this Circular**. The template workbook is designed to help municipalities move from high-level smart metering decisions to concrete MTREF's, credible schedules, and monthly reporting. It brings together municipal details, meter requirements, trading services information, and budget information in one place so that electricity and water smart metering can be planned, costed, and monitored in a

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consistent way. Municipalities are expected to complete and submit this template bi-annually (before the 10<sup>th</sup> working day of January and July) as part of the relevant MFMA Section 71 and or 72 statement(s). The submissions should cover meter data and key trading service information for the preceding six-month period.

The Municipal Meter Requirements:

- The electricity sheet of the template workbook that needs to be completed, gathers detailed information on existing and planned electricity meters. It records, by ward or area, the number of smart, conventional and prepaid meters, unmetered points, and new meter requirements. This part of the workbook establishes the baseline and the size of the gap that the smart metering project must address. It allows municipalities to see clearly where the largest shortfalls and opportunities are within their electricity network; and
- The water sheet of the template workbook performs the same function for water services. It records ward-level water meter data, including existing meters, unmetered connections and new meter requirements. Together, the electricity and water requirements sheets define the total scope of metering work that must be funded and implemented, rather than relying on rough estimates.

#### 4.6D Smart Metering Financing Solutions

Municipalities are cautioned against concluding agreements with service providers that are offering smart meter solutions at unreasonable costs. The National Treasury LGBA Chief Directorate, in collaboration with the Office of the Chief Procurement Officer (OCPO) are developing alternative funding solutions that will be more affordable, equitable, fair, and transparent, while also protecting municipalities and their revenue sources. Official notification regarding these solutions will be communicated in due course. Municipalities are advised to wait for this official communication before finalising any smart meter-related agreements, or alternatively to formally request the National Treasury's input on such solutions before proceeding. Requests can be directed to [RevenueManagement@treasury.gov.za](mailto:RevenueManagement@treasury.gov.za) for the attention of Mr Sadesh Ramjathan.

#### 4.6E Transversal Contract for the procurement of Smart Metering end-to-end solutions

Municipalities must note and consider the guidance and contact information to participate in the transversal contract RT29-2024. It contains compulsory documentation and a step-by-step participation guideline which can be accessed on the National Treasury website at <http://www.treasury.gov.za/divisions/ocpo/ostb/contracts/default.aspx> under RT29-2024. Municipalities must familiarise themselves with the RT29-2024 pricing schedule and related documentation published on the National Treasury before submitting their participation application.

Applications to participate will be assessed against the municipal MTREF and cash flow, with affordability and sustainability evaluated by the relevant Local Government Budget Analysis (LGBA) directorate, in consultation with the National Treasury Revenue Management directorate towards facilitating that smart metering procurement and implementation is planned, budgeted, and implemented as an integrated solution.

#### 4.7 Training Tools of the National Treasury

##### Revenue Management Assessment Tool

Municipalities must submit the Revenue Management Assessment Tool annually, as set out above. Training was already undertaken across all provinces, and the National Treasury will facilitate follow-up training during 2026/27, upon request, only for municipalities, provincial treasuries, and technical advisors deployed to municipalities and provincial treasuries.

Municipalities and provincial treasuries can request training through the relevant Provincial Treasury, which is responsible for coordinating training requests. It is noted that any National Treasury-deployed technical advisor may directly request training from the National Treasury as may be required. Requests for training and any related queries must be directed to [RevenueManagement@treasury.gov.za](mailto:RevenueManagement@treasury.gov.za) and [Sadesh.ramjathan@treasury.gov.za](mailto:Sadesh.ramjathan@treasury.gov.za) for the attention of Mr Sadesh Ramjathan.

### **Tariff Tool**

All municipalities, including metropolitan and secondary cities, must undertake a tariff assessment in the format of the updated National Treasury Tariff Tool, as explained above. The National Treasury will facilitate training during January to March 2026, and thereafter, upon request only, to municipalities, provincial treasuries, and technical advisors deployed to municipalities and provincial treasuries. Training must be scheduled for a **full day**, and would be more relevant towards municipal processes if scheduled:

- Before and/ or during the **Adjustments Budget preparation** (for re-allocations);
- Before and/ or during the **Tabled Budget process** (to evaluate tariff changes); or
- Before the **final MTREF submission** to Council for approval.

Municipalities and provincial treasuries can request training via the relevant Provincial Treasury. Any National Treasury deployed technical advisor may directly request training as may be required. Requests for training and any related queries must be directed to [RevenueManagement@treasury.gov.za](mailto:RevenueManagement@treasury.gov.za) and [Sadesh.ramjathan@treasury.gov.za](mailto:Sadesh.ramjathan@treasury.gov.za) for the attention of Mr. Sadesh Ramjathan.

### **Municipal Valuation Roll Reconciliation Tool**

The National Treasury confirms the guidance already provided in MFMA Circulars No. 130 and above to the effect that ALL municipalities must reconcile valuation rolls monthly and submit them quarterly to the National Treasury, together with the related documentation set out above. The latest format of the tool must be used as set-out above.

The National Treasury will facilitate follow-up training during January to March 2026, and thereafter, upon request, only to municipalities, provincial treasuries, and technical advisors deployed to municipalities and provincial treasuries on the Municipal Valuation Roll Reconciliation Tool. Training must be scheduled for at least **two full days** and can be facilitated at any time since municipalities perform this task monthly. Municipalities and provincial treasuries can request training via the relevant Provincial Treasury. Any National Treasury deployed technical advisor may directly request training as may be required. Requests for training and any related queries must be directed to [RevenueManagement@treasury.gov.za](mailto:RevenueManagement@treasury.gov.za) and [Sadesh.ramjathan@treasury.gov.za](mailto:Sadesh.ramjathan@treasury.gov.za) for the attention of Mr Sadesh Ramjathan.

#### **4.8 GoMuni Portal – Revenue Management Document Uploads required**

All municipalities are required to upload, annually, to the GoMuni Upload Portal, the Revenue Management-related documents included in Annexure E to this Circular, in the specified format and within the timeframes indicated. It is noted that **items 10 and 17 in Annexure E** are only relevant to Water Debt Relief participants, and **items 13, 15 and 16** to Municipal (Eskom) Debt Relief participants. In relation to **items 10, 13, 15, 16, and 17, all other municipalities must submit a zero (empty) form to prevent these items from reflecting as outstanding.**

#### **4.9 Monitoring – Water Debt Relief**

As outlined in paragraph 5.2 of the Water Debt Relief Guideline of the Department of Water and Sanitation (DWS), the DWS in collaboration with the relevant Water Trading Entity (WTE) and or Water Board (WB) and or Water User Association (WUA), National Treasury, and Provincial Treasury, will closely monitor the municipality's compliance with the conditions of its water debt relief approval.

The relevant National Treasury (non-delegated municipalities) or provincial treasury (delegated municipalities)<sup>1</sup> monthly to assess the municipality's compliance with the conditions and issue **the compliance certificate in the format of Annexure F attached to this Budget Circular** to the DWS, and relevant WTE/WB/WUA via: [munic.incentive@dws.gov.za](mailto:munic.incentive@dws.gov.za) and to the municipality in one email no later than 20 working days after month-end. It is the responsibility of the DWS to ensure that the certificate, together with any DWS input as may be relevant reaches the relevant WTE/WB/WUA within one (1) working day of the Treasuries submission.

The relevant WTE/WB/WUA is to consider any inputs as part of its own assessment and monthly report on any participating municipality's compliance via email to: [munic.incentive@dws.gov.za](mailto:munic.incentive@dws.gov.za) and [RevenueManagement@treasury.gov.za](mailto:RevenueManagement@treasury.gov.za) and to the municipality, including issuing a non-compliance letter at its sole discretion as may be relevant.

The National Treasury issued guidance to all Municipal (Eskom) and Water Debt Relief participants, guiding on the reporting required as part of the monthly MFMA section 71 statement. Municipalities must closely adhere to this guidance and the relevant Treasury assessments as part of the monthly compliance certification of any debt relief participant.

Municipalities must upload their Water Debt Relief application, together with the DWS approval letter, as a single PDF to the GoMuni Revenue Upload Portal.

#### 4.10 Delivery Agency Agreement(s) (DAA) with Eskom

Municipalities intending to enter into Delivery Agency Agreement(s) with Eskom should take note of the following with immediate effect.

**Step 1: The Municipal Systems Act (MSA) section 78 process is a requirement before the DAA can be concluded.** The National Treasury and the Department of Cooperative Governance (DCoG) legal services jointly confirm that the process in section 78 of the MSA must be followed before a municipality may enter into any DAA that proposes that Eskom take over the electricity function from and/or operate the service on behalf of the municipality. Section 78(1) of the MSA provides the process to be undertaken when deciding on a mechanism to provide a municipal service in the municipality or a part of the municipality, or to review any existing mechanism, and would need to be applied first.

The municipality may, before it decides on an appropriate mechanism, explore the possibility of providing the service through an external mechanism under MSA section 76(b). Once a municipality has decided to utilise an external mechanism, such as entering into an agreement with an organ of state to provide the service, it may do so, considering section 110(2)(b) of the MFMA in order to contract directly with an organ of state, in this case, Eskom.

The MSA section 78 criteria and process must be complied with regardless of whether the electricity license will remain that of the municipality in terms of the proposed DAA.

The MSA does not prescribe any period or deadlines within which this process must be concluded, and the municipality, planning diligently, may comply with this process within the shortest possible period without jeopardising or delegitimising it. DCoG and SALGA confirmed that they can assist municipalities with the MSA section 78 process and should partner to

<sup>1</sup> Refer MFMA Circular Number 20 (Delegations).

provide support in this regard. Concluding a DAA with Eskom without following the MSA section 78 required process will be illegal, and all expenditure incurred in terms of such a DAA will be irregular under the MFMA.

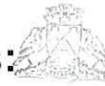
**Step 2: A standardised DAA.** The National Treasury, DCoG, and the Department of Electricity and Energy (DEE), working with Eskom and SALGA, are to agree on standardised terms and conditions for DAAs. It is important that municipalities maintain the standardised terms in the agreement and not deviate from them. Additional terms may be included based on municipal-specific circumstances. It will be necessary for the municipality to obtain comments from its respective provincial treasury and provincial CoGTAs before signing the DAA.

**Step 3: Municipalities participating in Municipal (Eskom) Debt Relief** must, in parallel to the MSA Section 78(3) process, inform and obtain the inputs of the Treasuries and DCoG, demonstrating that the proposed DAA will facilitate the municipality's compliance with the debt relief conditions set out in the National Treasury's 2023 approval letter.

The municipality should send any request (refer step 2 and or 3 above) for the written input of the National Treasury together with the feasibility study (MSA Section 78(3)(c)) and the proposed DAA (any additions and or deviations must clearly be highlighted in the request) to: both [RevenueManagement@treasury.gov.za](mailto:RevenueManagement@treasury.gov.za) and [Wayne.McComans@treasury.gov.za](mailto:Wayne.McComans@treasury.gov.za) for the attention of Mr. Sadesh Ramjathan, Director: Local Government Budget Analysis: Revenue Section, and Mr. Wayne McComans, Chief Director: MFMA Implementation and parallel to the relevant Provincial Treasury and DCoG.

**Step 4: Submission of the DAA.** All municipalities signing a DAA with Eskom must submit the signed DAA together with the municipal council resolution approving such to the National Treasury to: [RevenueManagement@treasury.gov.za](mailto:RevenueManagement@treasury.gov.za) for the attention of Mr. Sadesh Ramjathan, Director: Local Government Budget Analysis: Revenue Section and parallel to the relevant Provincial Treasury and CoGTAs.

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## 5. Budget and other management issues:

### 5.1 National Treasury Guideline on Budgeting for a Funded Budget

National Treasury is concerned by the many unfunded budgets adopted by municipalities. Municipal funding plans are not realistic or credible and there is insufficient effort to achieve financial turnaround and to progress from an unfunded budget to one that is funded. Municipalities are reminded to consult the National Treasury Guideline on budgeting for a funded budget issued during the 2018/19 MTREF to assist municipalities in preparing a funded MTREF budget and or use the guideline to develop credible funding plans. **For ease of reference the 2018/19 Guideline is included as Annexure G to this Circular.**

### 5.2 Employee related Costs

The salary and wage collective agreement was signed by the parties of the South African Local Government Bargaining Council (SALGBC) on Friday, 6 September 2024. It is a five-year agreement effective from July 1, 2024, to June 30, 2029.

In respect of the 2026/27 financial year, all employees covered by this agreement shall receive, with effect from 1 July 2026, a salary increase linked to the Consumer Price Index (CPI) plus 0.75 per cent.

Municipalities should reflect these negotiated salary increases in the budget submissions.

### 5.3 Remuneration of Councilors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also consider the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process. Any overpayment to councilors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of section 167 of the MFMA and must be recovered from the councilor(s) concerned.

### 5.4 Using section 67 transfers to pay for councillor funeral costs

In terms of MFMA Circular 131 – Funds Transferred by Municipalities to Organisations and Bodies Outside the Government, section 67 of the MFMA provides a mechanism for municipalities to make transfers to organisations or bodies outside of government.

National Treasury is aware that municipalities are erroneously applying the provisions of section 67 of the MFMA to pay for deceased councillors' funeral costs. This practice is not permissible and constitutes non-compliance to Section 67 of the MFMA; and such transfer of funds is deemed irregular expenditure. This practice must immediately be stopped.

Any council policy which makes provision for the use of section 67 of the MFMA to make payment for councillor funeral costs must be rescinded with immediate effect.

Municipalities must comply with section 167(1)(a) of the MFMA which provides that a municipality may remunerate its political office-bearers and members of its political structures, but only within the framework of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998), setting the upper limits of the salaries, allowances and benefits for those political office-bearers and members.

### 5.5 Review of human resource policies, benefits not provided for in collective agreements

Municipalities face rising financial pressure from providing in-service and post-employment benefits that are not covered by any South African Local Government Bargaining Council (SALGBC) collective agreement or supported by a long-term affordability assessment. These benefits create long-term liabilities and spending that are not aligned with the MFMA while municipalities overreach by setting unaffordable tariffs to accommodate such expenses in the budget. To support financial sustainability, municipalities must review all benefits provided to current and former employees to identify benefits that fall outside SALGBC agreements and identify any practices or policies that create irregular, unnecessary, or unaffordable expenditure.

Examples of benefits not provided for in SALGBC agreements include annual leave encashment during service (not linked to termination of services) and post-employment medical aid contributions. These benefits strain operating budgets and expose municipalities to irregular, unauthorised, fruitless, and wasteful expenditure. They cost millions each year and, in the case of post-employment medical aid, create liabilities that run into billions for municipalities. When post-employment medical aid contribution is paid for former employees, the municipality receives no value in return.

For the 2026/27 budget, municipalities must accordingly identify all benefits paid to current or former employees that are not within the SALGBC agreements, or a valid council policy supported by a long-term affordability and compliance assessment. Where such benefits exist, for example, annual leave encashment during service, municipalities must consult with labour

unions and discontinue the expenditure. Another option is that municipalities may consider a phased approach to discontinue the expenditure over two or three years, subject to affordability.

In the case of post-employment medical aid benefits, these must not be granted to employees appointed from a future date, for example, from 1 July 2026. Where a municipality provides the benefit without a policy, it must adopt a policy that reflects existing practice while excluding future employees from receiving the benefit and setting upper limits on the municipality's contributions. The policy and council decision must specify the effective date of exclusion for future employees. Benefits such as post-employment medical aid should not be extended to senior managers or councillors covered by the annual upper-limits gazette notices.

Accounting officers must ensure that human resource policies, payroll practices, and benefit structures comply with the law, and that any unauthorised or unaffordable benefits are stopped in accordance with the correct procedure. All municipalities must, accordingly, as part of their annual review of their 2026/27 budget-related policies, review all human resource benefit policies to identify benefits the municipality should discontinue with effect from 1 July 2026, on affordability grounds. Accounting officers remain responsible for preventing irregular, fruitless, and wasteful expenditure, and the contemplated policy reviews must be conducted by municipal staff, not consultants.

## 5.6 Submission of payroll information on Central Supplier Database

In recent years, more municipalities and municipal entities are incurring irregular expenditure due to awards made to persons in the service of the state, including municipal officials and councillors.

On 01 September 2015, the National Treasury launched the Central Supplier Database (CSD), which became fully effective for municipalities and municipal entities from 1 July 2016. The CSD provides a myriad of services, including the verification of state employees. Whilst information for National and provincial officials is available, municipalities and municipal entities are not consistent in submitting information to the CSD.

This lack of information has resulted in municipalities and municipal entities inadvertently making awards to persons in the service of the state, including awards made to their own officials and councillors. As such, municipalities and municipal entities are urged to submit all the relevant information to CSD.

This will enable all municipalities and municipal entities to be able to verify information and avoid possible non-compliance findings timeously.

## 5.7 Unauthorised, irregular, fruitless and wasteful expenditure reduction and implementation of consequence management

As previously explained in MFMA Circular no. 129, municipalities are continuing to incur unauthorised, irregular, fruitless and wasteful expenditure (UIFWE) year-on-year. Whilst more municipalities are establishing disciplinary boards, such boards are not investigating matters as required, or where such investigations are undertaken, municipal councils are not implementing the disciplinary boards' recommendations.

Municipalities are required to submit an action plan which must address the period from 02 January 2025 to 31 August 2026. The action plan should include monthly calendar actions that will allow for the monitoring of the action plan implementation.

### **The action plan should include the following information:**

- plan to process the UIFWE balances up to 30 June 2026 by 31 August 2026, and how future UIFWE will be prevented with specific UIFWE prevention controls;

- the key process changes (including administrative processes) the municipality will implement to ensure that the UIFWE balances are processed to adhere to the August 2026 deadline; and
- the process to be followed to establish and appoint members of the disciplinary board and address the backlog of financial misconduct referrals to the disciplinary board. This should include processes and procedures for the referral of matters to the disciplinary board.

This action plan must be uploaded to the *Muni eMonitor* as part of the evidence for UIFWE reporting.

### 5.8 Fruitless and Wasteful External Legal and Consultant Costs

National Treasury has observed that municipalities (including municipal entities) incur legal and consulting fees on matters that could have been avoided had officials followed proper procedures, or had officials or councillors not been negligent or acted deliberately, thereby causing legal disputes. These costs place pressure on operating budgets and provide no value to the municipality. Legal or consultant fees arising from non-compliance, negligence, inaction, deliberate conduct, flawed processes, or attempts to justify irregular decisions constitute fruitless and wasteful expenditure under the MFMA.

Legal costs linked to labour matters where procedures were not followed by the municipality, or for justified reasons, or to council matters involving unlawful meetings or invalid decisions, are avoidable and must be treated as wasted legal costs. Municipalities must also not incur legal costs to defend officials or councillors where there is clear negligence, misconduct, or deliberate misrepresentation of facts, including cases where material facts are withheld or altered, resulting in legal and consultant costs. Appointing lawyers or consultants to create a predetermined outcome, rationalise irregular conduct, or shield individuals from consequences exposes the municipality to irregular, fruitless and wasteful expenditure. Municipalities are reminded to exercise caution and prudence regarding such matters.

This section does not prevent a municipality from defending or instituting legal proceedings arising from a genuine and bona fide legal dispute. It also does not prevent a municipality from bringing self-review proceedings to set aside its own irregular or unlawful decisions.

### 5.9 Fruitless and Wasteful Expenditure Audit Finding Disputes

A recent concern noticed is the use of external consultants or lawyers to oppose Auditor-General South Africa (AGSA) audit findings, or to prepare opinions (including legal opinions) aimed at disputing audit findings that the municipality cannot justify in law or that do not align with the facts, or where material facts are distorted or have not been provided to the AGSA. Municipalities and municipal entities are forewarned not to use external lawyers and consultants to respond to or dispute AGSA audit findings but instead follow AGSA's dispute resolution procedures to address audit disputes. Municipal officials are also specifically warned not to provide misleading or incomplete information to the AGSA to obtain a specific outcome, as these actions or inactions will qualify as both financial misconduct under sections 171 (municipalities) and 172 (municipal entities) of the MFMA and as a financial offence in terms of section 173 of the MFMA.

### 5.10 Request for information regarding procurement spend, employee related data and audit management reports

The National Treasury aims to strengthen public trust and foster public accountability in the procurement systems of government. This initiative will be achieved by, amongst others, making the procurement systems more transparent through the publication of procurement information of institutions. An Instruction on Procurement Information Transparency has been issued by the National Treasury for the publication of the dashboard and requesting procurement information from procurement systems of all departments, public entities, and

constitutional institutions. The published information will include, but is not limited to, supplier and ownership details, the nature, value, quantity of procurement transactions, and payments made to suppliers.

One of the key principles underpinning the MFMA read with the Municipal Supply Chain Management Regulations is that of transparency. Therefore, a letter, signed by the Director General of the National Treasury in terms of section 74 of the MFMA, will be written to municipalities wherein similar information as referred to in the preceding paragraph is requested. The information requested is inclusive of personnel data within municipalities. The employee information requested should be available on the HR sub-systems of all municipalities. Municipalities should liaise with their respective system vendors to extract this information in the required template format directly from their relevant sub-systems.

### 5.11 Additional in-year reporting requirements

Reference is made to MFMA Circular No. 67 point 5.5. Municipalities must provide additional information and supporting documentation to the National Treasury as part of the submission of the Section 71 input forms. This information will assist in improving the quality of the quarterly published local government performance information. Additional information and supporting documentation include:

- An extract of the trial balances from the general ledger;
- Copies of the actual monthly bank statements (reflecting the opening and closing bank balances) for the primary bank account;
- Bank reconciliation for the reporting period in the primary bank account; and
- Copies of the quarterly tabled section 71 documents in the prescribed Schedule C format including the applicable council resolution.

## 6 Municipal Standard Chart of Accounts (mSCOA):

### 6.1 Release of Version 7.1 of the Chart

Version 7.1 of the mSCOA chart is released with this circular and must be used to compile the 2026/27 MTREF. The linkages to chart version 7.1 can be downloaded from the Local Government Database and Reporting System (LGDRS) on the following link under the mSCOA/List mSCOA WIP account linkages menu option:

[https://lq.treasury.gov.za/ibi\\_apps/signin](https://lq.treasury.gov.za/ibi_apps/signin)

The reports on the Local Government Database and Reporting System (LGDRS) are populated from financial and non-financial data strings. Municipalities must therefore use the linkages on GoMuni referred to above and not the formulas in the regulated Municipal Budget and Reporting Regulation (MBRR) Schedules when generating their data strings.

The MBRR Schedules (A to F) and non-financial data string (A1S) will be aligned to chart version 7.1. A protected version of these Schedules for version 7.1 of the A1S will be available by 31 January 2026 on the MFMA Webpage and the LGDRS under GoPublic / Explore mSCOA on the links below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx>

[https://lq.treasury.gov.za/ibi\\_apps/portal/Explore\\_mSCOA](https://lq.treasury.gov.za/ibi_apps/portal/Explore_mSCOA)

Municipalities must verify that the A1S data string does not contain spaces and special characters prior to submission to the GoMuni Upload portal, as this will result in the data not pulling through on table A10 of the A1 system generated schedule.

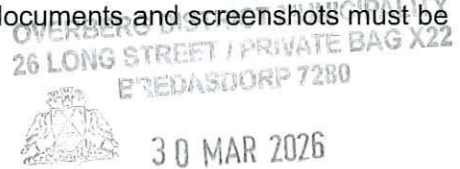
To ensure that all integrated municipal system solutions have incorporated the required changes for mSCOA chart version 7.1, several municipalities across all systems will be required to submit test data to the LGDRS in January and February 2026. Communication in this regard will follow in January 2026.

For the National Treasury to consider a new chart change in version 7.2 of the chart, the issue must be logged with all relevant details and supporting documents on the mSCOA Frequently Asked Question (FAQ) portal by 31 August 2026. The mSCOA FAQ portal can be accessed by all registered GoMuni users on the following link:

[https://lg.treasury.gov.za/ibi\\_apps/signin](https://lg.treasury.gov.za/ibi_apps/signin)

Importantly, when an FAQ is logged, it is considered by the FAQ committee after it has been investigated. If the FAQ members do not find grounds for a chart change, the FAQ will be closed with an explanation. If there is merit for a chart change in the next version of the chart, the matter is referred to the mSCOA Technical and Steering Committees for recommendation and approval. This process concludes annually by the end of October. The FAQ process will therefore not provide quick responses to queries.

If a query pertains to GoMuni related issues (such as the **A, B and C Schedules**) and not a chart change, then an email with all relevant detail, supporting documents and screenshots must be sent to [lgdataqueries@treasury.gov.za](mailto:lgdataqueries@treasury.gov.za).



**6.2 Important changes in mSCOA chart version 7.1**

**Capitalisation of conversion costs to water inventory**

MFMA Budget Circular No 129 dated 6 December 2024 detailed the requirements for the accounting treatment of water inventory costs in terms of Generally Recognised Accounting Practises (GRAP) 1.104, 12 (paragraphs 19 to 28) and 17.22. mSCOA chart version 7.1 addresses the capitalisation of conversion cost from the nature of the expense to Water Inventory as required in terms of these GRAP standards.

In addition, the Accounting Standards Board (ASB) FAQ 3.3 guides the measurement of Water Inventory as follows:

- *Entities need to develop their own accounting policies to measure water using the principles in GRAP 12.*
- *After the entity demonstrates that it can recognise the water, it is initially measured as follows:*
  - *Costs incurred to bring the inventory to its current location and condition including related infrastructure costs. Some examples include costs of extraction and depreciation; plus*
  - *Costs of conversion.*

As per the guidance provided in the GRAP standards and ASB, the capitalisation of conversion costs should align with the principle applied to Employee Related Costs (Cost Capitalisation to PPE). Toward this end, the following credit accounts have been included in version 7.1 of the mSCOA chart:

Account	Change in chart version 7.1
---------	-----------------------------



1	Basic Salary - Capitalisation of Costs to Property, Plant and Equipment (PPE), Water Inventory	<ul style="list-style-type: none"> <li>• Credit account adjusted</li> <li>• Updated the description and definition to include Water Inventory for all posting levels</li> </ul>
2	Capitalisation of Electricity Costs	Credit account added
3	Contracted Services (Maintenance)	Credit accounts added for: <ul style="list-style-type: none"> <li>• Capitalisation of Maintenance of Building and Facilities</li> <li>• Capitalisation of Maintenance of Equipment</li> <li>• Capitalisation of Maintenance of Unspecified Assets</li> </ul>
4	Capitalisation of Depreciation of Water Treatment Works	Credit accounts added
5	Operational Costs	Credit accounts added for: <ul style="list-style-type: none"> <li>• Capitalisation of Courier and Delivery Services Costs</li> <li>• Capitalisation of Vehicle Tracking Costs</li> <li>• Capitalisation of Wet Fuel Costs</li> <li>• Capitalisation of Licences Costs</li> </ul>

The chart was also updated to allow for the accumulation of the following additions to water inventory: system input volume:

- Water Treatment Works: Acquisitions;
- Bulk Purchases: Acquisitions; and
- Natural Resources: Acquisitions.

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**Alignment of cash flow linkages**

In terms of GRAP 2, cash flows should be classified in accordance with the nature of the activity to which they relate (operating, investing or financing) which requires that:

- The item for *Interest, Insurance Refund and Retentions* must be accounted for both operating and investing activities based on the nature of the transactions; and
- The *Interest on Short-Term investment* (greater than 90 days) and *Long-Term Investments* must be populated within investing activities. Short-Term Investments is disclosed on the Statement of Financial Performance.

To give effect to this GRAP standard, a new operational funding source, Insurance Refunds, has been created under the Investing Activities of MBRR tables A7 and SA30. Therefore, with effect from version 7.1 of the mSCOA chart:

- The VAT Receipts will be populated using the Bank Deposits (IA001001 – "DEPOSITS") and VAT Receipt funding source. The VAT Control account receipts will not be used for this purpose;
- Construction Contract Revenue will no longer form part of Sales of Goods and Rendering of Services. A new funding source was created to separately populate Construction Contract Revenue as part of Other Revenue on the MBRR supporting table SA30; and

- Development Charges will no longer form part of Operational Revenue. A new funding source was created to separately populate Development Charges as part of Other Revenue on MBRR supporting table SA30.

The structure of the MBRR table A7 and its related cash flow linkages has also been aligned with the *m*SCOA chart version 7.1. The updated linkages to the MBRR supporting table SA30 are attached as **Annexure H: Cash Flow Linkages**.

### Intercompany Transfers

In terms of the MFMA, municipalities with entities must submit budgets, in-year Section 71 reports, annual financial statements and annual reports for the parent municipality, as well as consolidated documents for both the parent and its entity. Furthermore, in accordance with GRAP 35 paragraph 39, a controlling entity shall prepare consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances.

The consolidation procedures prescribed in GRAP 35 paragraph 41(a) and (c) state that consolidated financial statements combine like items of assets, liabilities, net assets, revenue, expenses, and cash flows of the controlling entity with those of its controlled entities. Consolidated financial statements should eliminate in full intra-economic entity assets, liabilities, net assets, revenue, expenses, and cash flows relating to transactions between entities of the economic entity (surpluses or deficits resulting from intra-economic entity transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra-economic entity losses may indicate an impairment that requires recognition in the consolidated financial statements.

To support the implementation of the process outlined in GRAP 35 paragraph 41(c), *m*SCOA chart version 7.1 has been revised to enable the proper recording and reporting of all intercompany and parent–subsidiary transactions. These revisions introduce new and updated items relating to assets, liabilities, net assets, and expenses, which may be found on the *m*SCOA chart version 7.1 and represented as follows:

- Assets: Non-current Assets: Intercompany/Parent-subsidiary Transactions;
- Assets: Current Assets: Intercompany/Parent-subsidiary Transactions;
- Liabilities: Non-current Liabilities: Intercompany/Parent-subsidiary Transactions and Net Assets: Intercompany/Parent-subsidiary Transactions; and
- Expenditure: Intercompany/Parent-subsidiary Transactions.

The intercompany items available on the chart makes provision for the elimination of transactions between the entity and the parent and should be considered where possible during the preparation of your respective budget to ensure budgeted financial information between municipalities and their entities is accurately reflected and remains consistent across all reporting levels.

In terms of MBRR No. 39, the annual budget and supporting documentation of a municipal entity must be in the format specified in Schedule D and include all the required tables, charts and explanatory information considering any guidelines issued by the Minister in terms of section 168(1)(a) of the MFMA. Municipalities with entities must submit the necessary documents to the GoMuni Upload portal in accordance with the prescribed Regulations.

### 6.3 Improving *m*SCOA implementation

#### *m*SCOA e-Road Map

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Municipalities are required to develop and implement a *m*SCOA road map to address gaps in the implementation of the *m*SCOA Regulations and the minimum business processes and system specifications articulated in MFMA Circular No 80 and its Annexure B.

The *m*SCOA road map has been incorporated as a module into the web-based Financial Management Capability Maturity Model (FMCMM). From the 2026/27 MTREF, all municipalities will be required to prepare their *m*SCOA road maps on the FMCMM web-based platform. The web-based *m*SCOA Road Map assesses compliance with regards to *m*SCOA implementation for the following focus area:

- System landscape, i.e. the ICT architecture that enables compliance with the *m*SCOA requirements articulated in MFMA Circular No 80 and its Annexure B;
- Governance and institutional arrangements to drive compliance with the *m*SCOA requirements articulated in MFMA Circular No 80 and its Annexure B;
- The functionality of the integrated system solution, as per the requirements articulated in MFMA Circular No 80 and its Annexure B; and
- Proficiency of municipal officials in utilising the integrated financial system solution.

Gaps in implementation will require the development of an action plan in the FMCMM web-based platform. Progress on the implementation of the *m*SCOA road map will be monitored via the FMCMM platform by National and Provincial Treasuries. From the 2026/27 financial year, this will form the basis for decisions on the withholding of the equitable share pertaining to *m*SCOA non-compliance, as well as the *m*SCOA compliance certificate to be issued by the National Treasury in respect of the Metro Trading Services reform.

### Regulation of the minimum business process and system specifications for *m*SCOA

The National Treasury will conclude the consultation and preparatory work to regulate the minimum business process and system requirements for *m*SCOA in 2026/27. Once promulgated, the regulations will be applicable to municipalities and their entities.

Municipalities are encouraged to start preparing for these regulations by addressing gaps in the current *m*SCOA implementation and resolving them prior to the promulgation of the regulations on the minimum business process and system requirements for *m*SCOA.

All consultation documents that were presented at the Integrated Consultative Forums (ICF) can be located on the MFMA Webpage under *m*SCOA – Municipal Standard Chart of Accounts/Regulations on Minimum Business Processes and Technical Specifications for *m*SCOA/Working Groups on the following link:

<https://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/mSCOA%20Minimum%20Requirements/Forms/AllItems.aspx>

The draft documents are also available on the *m*SCOA one drive for comments and inputs on the following link and provide sufficient guidance to municipalities and system vendors to prepare for the new regulations prior to promulgation:

[E1 Draft Regulations - Consultation - Shared](#)

All comments and submissions are requested by **31 January 2026** and must be submitted to [mscoa@treasury.gov.za](mailto:mscoa@treasury.gov.za) to allow for consolidation and inclusion in the final regulations.

### 6.4 Improving *m*SCOA data string credibility

#### Introducing a 3<sup>rd</sup> validation rule

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Currently, the LGDRS implements automated stage 1 and 2 validations to ensure that credible data strings are submitted to the GoMuni Upload portal. The stage 1 validations verifies that the file structure is correct, while the stage 2 validation verifies that the *m*SCOA chart has been used correctly across 18 validation areas. Details on the stage 2 LGDRS validations are attached as **Annexure I**.

A third stage automated validation will be introduced from the 2026/27 MTREF to validate the credibility of *m*SCOA data strings. Details in this regard will be communicated when available.

## 7 The Municipal Budget and Reporting Regulations:

### 7.1 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape Buffalo City	Matjatji Mashoeshoe Pitso Zwane Mandla Gilimani	012-315 5553/ 0609242914 012-315 5171 012-315 5807/0661198036	<a href="mailto:Matjatji.Mashoeshoe@treasury.gov.za">Matjatji.Mashoeshoe@treasury.gov.za</a> <a href="mailto:Pitso.Zwane@Treasury.gov.za">Pitso.Zwane@Treasury.gov.za</a> <a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
Free State	Cethekile Moshane	012-315 5079	<a href="mailto:Cethekile.moshane@treasury.gov.za">Cethekile.moshane@treasury.gov.za</a>
Gauteng City of Tshwane and City of Johannesburg City of Ekurhuleni	Matjatji Mashoeshoe Pitso Zwane Willem Voigt Makgabo Mabotja Khanyisile Khosa Kgomotso Baloyi Lunathi Dumani	012-315 5553 012-315 7538 012-315 5830 012-315 5156  012-315 5866/082 887 2968	<a href="mailto:Matjatji.Mashoeshoe@treasury.gov.za">Matjatji.Mashoeshoe@treasury.gov.za</a> <a href="mailto:Pitso.Zwane@Treasury.gov.za">Pitso.Zwane@Treasury.gov.za</a> <a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a> <a href="mailto:Makgabo.Mabotja@treasury.gov.za">Makgabo.Mabotja@treasury.gov.za</a> <a href="mailto:khanyisile.khosa@treasury.gov.za">khanyisile.khosa@treasury.gov.za</a> <a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a> <a href="mailto:Lunathi.dumani@treasury.gov.za">Lunathi.dumani@treasury.gov.za</a>
KwaZulu-Natal  eThekweni uMhlathuze	Kgomotso Baloyi Lunathi Dumani Kevin Bell Sifiso Mabaso Matjatji Mashoeshoe Pitso Zwane	012-315 5866  012-315 5725 012-315 5952/060 923 7343 012-315 5553/060 326 6885 012 315 7538	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a> <a href="mailto:Lunathi.dumani@treasury.gov.za">Lunathi.dumani@treasury.gov.za</a> <a href="mailto:Kevin.Bell@treasury.gov.za">Kevin.Bell@treasury.gov.za</a> <a href="mailto:Sifiso.mabaso@treasury.gov.za">Sifiso.mabaso@treasury.gov.za</a> <a href="mailto:Matjatji.Mashoeshoe@treasury.gov.za">Matjatji.Mashoeshoe@treasury.gov.za</a> <a href="mailto:Pitso.Zwane@Treasury.gov.za">Pitso.Zwane@Treasury.gov.za</a>
Limpopo	Sifiso Mabaso Jabulile Ngwenya	012-315 5952/060 923 7343	<a href="mailto:Sifiso.Mabaso@treasury.gov.za">Sifiso.Mabaso@treasury.gov.za</a> <a href="mailto:Jabulile.ngwenya@treasury.gov.za">Jabulile.ngwenya@treasury.gov.za</a>
Mpumalanga	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
Northern Cape	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
North West  Mafikeng	Willem Voigt Makgabo Mabotja Khanyisile Khosa Cethekile Moshane	012-315 5830 012-315 5156  012-315 5079	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a> <a href="mailto:Makgabo.Mabotja@treasury.gov.za">Makgabo.Mabotja@treasury.gov.za</a> <a href="mailto:khanyisile.khosa@treasury.gov.za">khanyisile.khosa@treasury.gov.za</a> <a href="mailto:Cethekile.moshane@treasury.gov.za">Cethekile.moshane@treasury.gov.za</a>
Western Cape  Cape Town George	Willem Voigt Khanyisile Khoza Kgomotso Baloyi Sifiso Mabaso	012-315 5830 012-315 5385 012-315 5866/082 887 2968 012-315 5952/ 060 923 7343	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a> <a href="mailto:khanyisile.khosa@treasury.gov.za">khanyisile.khosa@treasury.gov.za</a> <a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a> <a href="mailto:Sifiso.Mabaso@treasury.gov.za">Sifiso.Mabaso@treasury.gov.za</a>

Technical issues on GoMuni Website	Data management		<a href="mailto:lgdataqueries@treasury.gov.za">lgdataqueries@treasury.gov.za</a>
Local government Conditional Grants			<a href="mailto:Sello.mashaba@treasury.gov.za">Sello.mashaba@treasury.gov.za</a> <a href="mailto:Pretty.mavhungu@treasury.gov.za">Pretty.mavhungu@treasury.gov.za</a> <a href="mailto:Marvin.ngobeni@treasury.gov.za">Marvin.ngobeni@treasury.gov.za</a> <a href="mailto:Akanyang.modise@treasury.gov.za">Akanyang.modise@treasury.gov.za</a> <a href="mailto:Sandra.admams@treasury.gov.za">Sandra.admams@treasury.gov.za</a>
Municipal (Eskom) and or Water Debt Relief and Smart Metering	LGBA: Revenue Section (Sadash Ramjathan)		<a href="mailto:revenuemanagement@treasury.gov.za">revenuemanagement@treasury.gov.za</a>

## 8 Submitting budget documentation and A schedules for the 2026/27 MTREF

### 8.1 Submissions to the National Treasury

Municipalities are reminded to submit documents and queries to the correct portals/ mailboxes. These portals/ mailboxes are:

- [https://lg.treasury.gov.za/ibi\\_apps/welcome](https://lg.treasury.gov.za/ibi_apps/welcome) (GoMuni Upload Portal) – All documents required in terms of legislation by approved registered users, including: mSCOA Data Strings; Budget-related, in-year and year-end documents and schedules (A, B and C); Revenue and MFRS Documents (as per MFMA Circular No. 126) procurement spent reports, etc.;
- [lgdataqueries@treasury.gov.za](mailto:lgdataqueries@treasury.gov.za) – Database related and submission queries;
- [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za) – Only Provincial Treasuries may send contact details to [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za); and
- mSCOA [Regulations@treasury.gov.za](mailto:Regulations@treasury.gov.za) – all inputs and comments relating to the intended mSCOA Regulations on the minimum business processes and system specifications; and
- [Rolloverapplication@treasury.gov.za](mailto:Rolloverapplication@treasury.gov.za) – all rollover applications and queries related to the conditional grants.

Any document/ queries that are submitted to the incorrect portal/ mailbox will not be processed and the submission status report will continue to reflect the documents as outstanding.

### 8.2 Time frames for submission

The LGDRS will be locked at 00:00 on the 10<sup>th</sup> working day of every month for the submission of data strings due, as required in terms of section 71 of the MFMA. Closed periods will not be opened to correct errors or to accommodate non-submission of data strings, regardless of whether a Schedule G application was done or not.

Municipalities must therefore verify the credibility and accuracy of the information in their financial system prior to closing the month on the ERP system and submitting the mSCOA data strings to the LGDRS.

The GoMuni Upload portal can be accessed by registered users on the following link:

[https://lg.treasury.gov.za/ibi\\_apps/signin](https://lg.treasury.gov.za/ibi_apps/signin)

Since the 2020/21 MTREF, municipalities are no longer required to submit hard copies of all required documents, including budget-related documents, Annual Financial Statements, and Annual Reports, to the National Treasury via post or courier services. PDF versions of documents must be submitted to the GoMuni Upload portal.

### 8.3 Updating of contact details on GoMuni

Municipalities are reminded that it is their responsibility to ensure the minimum, that is, to update their contact details monthly on the LGDRS as and when changes occur. Often emails containing important information and deadlines are returned (“undeliverable”) and do not reach the intended LGDRS users because of outdated contact information. Updates to contact details made by municipal officials on the LGDRS are validated and approved for upload by the Contacts Administrators who were nominated by the Municipal Manager for this purpose within each municipality.

Registered LGDRS users can download the contact details for their municipality on the LGDRS by logging-in to GoMuni on the following link and then accessing the report under Database/Contacts/Reporting/Contact information:

[https://lg.treasury.gov.za/ibi\\_apps/signin](https://lg.treasury.gov.za/ibi_apps/signin)

The names of the respective Contact Administrators for each municipality are indicated in the contact information list on the LGDRS.

### 8.4 Training on GoMuni and mSCOA

The National Treasury training schedule and registration links for 2026 to assist municipalities, national and provincial government departments and other stakeholders that require new or refresher training on how to draw reports on the LGDRS and technical support on mSCOA, is available on the GoMuni/ Go Training portal on the following link:

[https://lg.treasury.gov.za/ibi\\_apps/portal/GoMuni\\_Navigation](https://lg.treasury.gov.za/ibi_apps/portal/GoMuni_Navigation)

## Contact



**national treasury**

Department.  
National Treasury  
REPUBLIC OF SOUTH AFRICA

**Post** Private Bag X115, Pretoria 0001  
**Phone** 012 315 5009  
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**JH Hattingh**  
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**05 December 2025**

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## Municipal Budget Circular for the 2026/27 MTREF

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## Introduction

This budget circular provides guidance to municipalities with their compilation of the 2026/27 Medium Term Revenue and Expenditure Framework (MTREF). It is linked to the Municipal Budget and Reporting Regulations (MBRR) and the Municipal Standard Chart of Accounts (mSCOA) and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved.

Among the objectives of this budget circular is to demonstrate how municipalities should undertake annual budget preparation in accordance with the budget and financial management reform agenda by focussing on key "game changers". These game-changers include ensuring that municipal budgets are funded, revenue management is optimised, assets are managed efficiently, supply chain management processes are adhered to, mSCOA is implemented correctly and that audit findings are addressed. Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance in areas of the budget preparation that are not covered in this circular.

### 1. The South African economy and inflation targets

GDP growth is expected to average 1.8 per cent from 2026 to 2028. Medium-term growth will be underpinned by household consumption supported by further gains in real purchasing power, moderately stronger wage growth, easing inflation, wealth gains from rising asset prices, improved consumer sentiment and better credit conditions. Continued investments in renewable energy and easing structural constraints are expected to support higher investment. Key factors for achieving faster economic growth and creating much-needed jobs include greater collaboration with the private sector in energy and transport, rapid implementation of structural reforms, easing of regulatory constraints and increased infrastructure investment.

The following macro-economic forecasts must be considered when preparing the 2026/27 MTREF municipal budgets.

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

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

Source: National Treasury Budget Review 2026.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

Inflation is expected to increase from 3.2 per cent in 2025 to 3.4 per cent in 2026, driven by higher food prices (particularly meat due to supply disruptions linked to foot-and mouth disease). Inflation is forecast to ease to 3.3 per cent in 2027 and 3.2 per cent in 2028, but risks from geopolitical tensions, exchange rate volatility, administered prices and animal disease outbreaks remain elevated. The reduction of the inflation target to 3 per cent with a 1 percentage point tolerance band will structurally reduce inflation, helping to protect real income levels.

In April 2024, the National Treasury initiated a comprehensive review of the budget process, with the goal of identifying and implementing reforms that would enhance the efficiency, transparency, and effectiveness of public resource allocation. It has resulted in a set of accountable reform proposals outlined below.

### Targeted And Responsible Savings (TARS) and Spending Reviews



These MTEF guidelines introduce a new mechanism entitled Targeted and Responsible Savings (TARS), which is intended to identify and remove low-priority or underperforming programmes from the budget to reduce aggregate expenditure and, where appropriate, reallocate funding towards the priorities of governments outlined in the Medium-Term Development Plan (MTDP).

In line with the government's commitment to identify wasteful, inefficient, underperforming, and low priority programmes and ensure a more streamlined and effective allocation of resources. At national level the following initiatives are being utilised for the identification of programmes to be included the TARS process:

- Spending reviews;
- Previous work should be updated where appropriate to inform implementation;
- Outcomes of new sectoral reviews such as the Active Labour Market Policy (ALMP) and the review of infrastructure conditional grants should be implemented;
- New data driven approaches;
- Use of technology to eliminate double dipping in social grants and other programmes (e.g. community works programme);
- Annual audit of ghost workers and payroll irregularities;
- Updated proposals on public entity and departmental rationalisation;
- Resolve inefficiencies in public sector wage bill;
- Implement personnel expenditure review completed by the Department of Public Service and Administration (DPSA);
- Finalise extended review of public entities remuneration; and
- Technical baseline analysis and institutional reviews to ensure that departments and public entities are appropriately aligned to mandates.

All municipalities are encouraged as part of the annual municipal budget preparations process to progressively introduce the same approach which will enable the Council of a municipality to consider more appropriate the trade-offs when policy choices are made in conclude the budget for a specific cycle. Depending on the response observed by the National Treasury, further guidance will be issue in future.

## 2. Key focus areas for the 2026/27 budget process

### 2.1 Local government conditional grants and unconditional grants allocations

For the 2026/27 financial year, the overall direct allocations to local government amount to R182.3 billion, made up of R110.1 billion in the local government equitable share; R54.7 billion in direct conditional grants and R17.5 billion in the General fuel levy sharing with metros. These allocations alleviate some of the financial pressures, particularly in basic services, where the costs of providing services are rising. The overall direct allocations to local government grow by an annual average rate of 3.1 per cent and the local government equitable share and related allocations grow by 4.4 per cent over the 2026 MTEF period.

#### ***Notable changes to the conditional grants system***

Given the ongoing review of the conditional grants system, there are several local government reforms proposed to conditional grants. The reforms are aimed at streamlining funding flows, reducing duplications, and aligning recurrent obligations with the appropriate funding base:

- The merger of the baselines of the integrated national electrification programme grant, and the energy efficiency demand side management grant in 2026/27 to focus on energy

- efficiency and renewable energy programmes that can lead to more sustainable energy provision and enable the achievement of long-term energy security goals;
- The Infrastructure Skills Development Grant (ISDG) will remain under the management of the National Treasury for the next three financial years when it will cease to exist as a conditional grant. To assist this transformation, the grant has ceased the intake of new graduates to allow the current graduate cohort to complete their training; and
  - To protect infrastructure investment from municipal dysfunction, a general clause has been introduced in the 2026 Division of Revenue Bill. It will enable the National Treasury to redirect infrastructure grants from local municipalities that have proven incapable of implementation to the Development Bank of Southern Africa, the Municipal Infrastructure Support Agent or capable district municipalities.

## 2.2 Post 2025 MTBPS changes

There are a number of reductions, several further cuts beyond the CPI adjustments and reprioritisations proposed in the 2025 MTBPS and these are effected to make funds available for other government priorities. These include:

### Reprioritisations

- A shift of R300 million in 2026/27 from the municipal infrastructure grant to the Department of Cooperative Governance's vote for the once-off gratuity payment to outgoing councillors after the local government elections;
- A shift of R536 million in 2026/27 from the direct component of the municipal infrastructure grant to the indirect component to address infrastructure delivery issues; and
- A shift of R19.2 billion (R5.7 billion in 2026/27, R6.4 billion in 2027/28 and R7.1 billion in 2028/29) from the urban settlements development grant to the metro trading services component of the urban development financing grant to strengthen core utility functions; and an additional incentive allocation of R8.6 billion over the MTEF period towards the metro trading services component of the urban development financing grant, confirmed from the provisional allocations made in 2025.

### Reduction

- The public transport network grant will be reduced by R8.3 billion over the MTEF period as part of the Targeted and Responsible Savings (TARS) process. This total reduction includes the R3 billion saving previously identified during the Medium-Term Budget Policy Statement (MTBPS), as well as further reprioritisations of R1.3 billion in 2026/27, R1.5 billion in 2027/28, and R2.5 billion in 2028/29. These additional funds are redirected to PRASA to accelerate the modernisation and replacement of critical rail signalling infrastructure.

### Addition

- An addition of R2.1 billion over the MTEF period to the regional bulk infrastructure grant for a regional wastewater treatment works project in Polokwane, funded through the Budget Facility for Infrastructure.

### Further reductions

- To make funds available and support the continuation of the implementation of the Presidential Employment Stimulus, reductions have been made on some conditional grants from the 2026 financial year. A reduction of R491 million in 2026/27 from the informal settlements upgrading partnership grant; a reduction of R784 million in 2026/27

from the integrated national electrification programme (Eskom) grant and a reduction of R921 million in 2026/27 from the municipal infrastructure grant.

### **Discontinuation**

- The discontinuation of the indirect neighbourhood development partnership grant, with its baseline of R219 million over the MTEF shifted to the Vote of the National Treasury and earmarked to support government's infrastructure reforms.

### **Correction**

- The correction of the BFI allocations for eThekweni Metropolitan Municipality, allocated through the urban development financing grant. The full allocation of R379 million for the non-revenue water project was erroneously allocated to eThekweni instead of being split between the municipality and the Infrastructure Fund as per the agreed work package. eThekweni's allocation in the urban development financing grant is reduced by R144 million over the MTEF and allocated to the Infrastructure Fund.

## **2.3 Review of the local government fiscal framework**

Government continues to be fully committed to a comprehensive review of the local government fiscal framework, and the Budget Forum has approved a detailed programme of action to guide this work, including detailed terms of reference and the procurement of specialist expertise to undertake the technical analysis. The review will consider the financial viability, effectiveness, stability and long-term sustainability of the local government fiscal framework, through a detailed examination of the policies, practices and mechanisms that govern how resources are allocated, managed and used at municipal level, because this examination is crucial to understanding the current state of local government finance. The work is organised around five core thematic areas: a national baseline profile of the local government fiscal framework, including distressed and better-performing municipalities, and refinement of the problem statement, the local government equitable share formula, local government expenditure reviews, fiscal leakages in local government, and additional revenue options, including undersubscribed existing instruments, new own-revenue sources and improved municipal borrowing to enhance infrastructure investment and maintenance.

Oversight and engagement structures have been established, including a Reference Group to provide expert input and validate findings, with four meetings aligned with key deliverables, a Working Group to coordinate technical inputs and monitor progress, with online meetings every two months, and a Core Project Management Group to manage execution, research and reporting, with fortnightly meetings. The review also provides for interviews and up to four online sessions with chief financial officers, municipal managers and senior planners from a sample of 32 municipalities, to ensure that the findings are credible, evidence-based and grounded in municipal realities.

The work will be undertaken over the 2026 MTEF period, and therefore, for this review to succeed and to reflect the realities on the ground, it is essential that all municipalities provide the requested data as a matter of urgency, including complete and reliable personnel information. Consequently, we urge those municipalities that have not yet submitted the required datasets to do so without delay, so that the analysis can be robust, comparable and fully representative of the sector.

## **2.4 Update on the review of the conditional grants**

The review process has been underpinned by extensive consultation processes since July 2024 during which the National Treasury presented the findings and recommendations of the review.

Most of the proposed reforms are intended for medium- to long-term implementation, while a select few have been prioritised for short-term introduction within the 2025 MTEF period. Further consultations have been conducted following the tabling of the 2025 Budget, focusing on reforms earmarked for medium- to long-term implementation. These ongoing engagements include impact assessments and preparatory work aimed at ensuring the successful rollout of the proposed changes. Over the 2026 MTEF period, government will roll out several local and provincial government reforms aimed at streamlining funding flows, reducing duplication, and aligning recurrent obligations with the appropriate funding base. These reforms are detailed in part 5 of the Explanatory Memorandum to the 2026 Division of Revenue under the relevant conditional grants.

## 2.5 Water crisis in South Africa

Water services across South Africa are becoming increasingly unreliable. Too many communities now experience intermittent supply, infrastructure failures and declining water quality.

105 out of 144 Water Service Authorities (WSAs) scored poor or critical in terms of the performance of their drinking water systems (Blue Drop) and/or wastewater systems (Green Drop) in the most recent reports. This means that water and sanitation services are failing in 73 per cent of WSAs – widespread failure of municipal water and sanitation services indicates a systemic problem. By September 2025, 53 out of the 105 worst performing WSAs had not yet produced corrective action plans to address their 2023 Blue, Green and No Drop report results.

At the same time, water demand is expected to exceed supply in several regions due to population growth, urbanisation, inefficient water use and climate change.

These pressures are already evident in major economic centres across the country, impacting on development and economic growth. Although South Africa is naturally water-scarce, the current crisis is primarily driven by municipal infrastructure and governance failures, while the uncertainty introduced by climate change multiplies all water related risks.

High water losses, ageing and poorly maintained infrastructure, weak financial management as well as growing municipal debts to water boards are placing the entire water value chain at risk. Water revenues are rarely reinvested into maintaining and upgrading infrastructure.

The Department of Water and Sanitation is advancing legislative and policy reforms. In parallel, the Metro Trading Services Reform, which was initially conceptualised around water services, utilises a performance-linked incentive grant to reward metros for improved governance, financial and operational performance. This reform will ensure that revenues from water and sanitation are reinvested directly into critical infrastructure to turnaround the vicious cycle of deteriorating water services in all eight metros (**Annexure A – Water Scarcity issues dealt with in previous budget circulars**).

## 2.6 Impact of infrastructure degradation on the economy

Widespread infrastructure failures, ageing assets and persistent underinvestment are increasingly constraining economic growth and service delivery across South Africa. Water, sanitation, electricity and transport infrastructure has been particularly affected.

The absence of functional and well-maintained basic service infrastructure disrupts business operations, increases operating costs and undermines investor confidence, stifling development and GDP growth. Industries that depend on reliable bulk services, such as mining, manufacturing, agriculture and logistics are impacted, with outages and service interruptions reducing productivity and raising the cost of doing business.

Deteriorating infrastructure also places growing fiscal pressure on municipalities, as emergency repairs and service backlogs drive a deteriorating and reinforcing negative cycle of increasing costs and decreasing service outcomes. Without sustained investment in maintenance, rehabilitation and expansion of infrastructure, these constraints will continue to weaken local economies, limit job creation and reduce the competitiveness of key economic centres.

To address these challenges, National Treasury has introduced a R54 billion performance-based incentive for metropolitan municipalities to support reforms in their trading services: water, sanitation electricity and solid waste services. The Metro Trading Services Reform is designed to ensure that revenue generated from these services is reinvested into maintaining and improving core infrastructure, strengthening the reliability and sustainability of municipal water services. Once trading services are ring-fenced and operating as viable utilities, can sustainably transfers to the rates account support other municipal functions such as roads, security and community services. The performance grant has been designed to incentivise metros to provide additional investment from their own revenues and loans to double the value of the reform to R108 billion. This investment in improved infrastructure will not only boost local economies but also unlock new investment opportunities.

## 2.7 Metro Trading Services Reform (MTRSR)

The Metro Trading Services Reform (MTRSR) is implemented through the Metro Trading Services component of the Urban Development Financing Grant (UDFG). This component of the UDFG provides a performance-based incentive to strengthen accountability, financial sustainability and operational performance in the water and sanitation, electricity and energy, and solid waste management trading services of metropolitan municipalities.

All metros must ensure that their 2026/27 MTREF reflects the indicative allocations published in the 2026 Division of Revenue Bill/Act and confirmed through Budget Allocation Letters issued by National Treasury. These performance-based incentive allocations may only be spent in support of the relevant trading services reform strategy and must be reported on accordingly.

Metro trading services participate in the reform in two cohorts, with differentiated requirements in 2026/27:

- **Cohort 1, entered the reform in 2025/26, includes:**
  - *Water and Sanitation:* Buffalo City, City of Cape Town, City of Johannesburg, City of Tshwane, eThekweni and Mangaung.
  - *Electricity and Energy:* Buffalo City, City of Cape Town, City of Ekurhuleni, City of Johannesburg, City of Tshwane and eThekweni.
- **Cohort 2, entering the reform in 2026/27, includes:**
  - *Solid Waste Management:* all metros.
  - *Water and Sanitation:* Ekurhuleni and Nelson Mandela Bay.
  - *Electricity and Energy:* Mangaung and Nelson Mandela Bay.

### 2.7.1 Cohort 1: Programme Year-2 (2026/27)

For Cohort 1 trading services, 2026/27 constitutes Year-2 (first full year of implementation).

#### ***In advance of 2026/27:***

Prior to the commencement of the 2026/27, Cohort 1 metros were required to finalise, cost and obtain Council approval for each trading service's A3-PIAP v2.

Draft A3-PIAP v2 documents must:

- Be presented at the 2025/26 Mid-Year Budget Review (MYBR) in January/February 2026;

- Be presented again during the 2026/27 Benchmarking Engagements (April/May 2026); and
- Demonstrate alignment between the costing of reform activity packages and the draft 2026/27 MTREF.

The final Council-approved A3-PIAP v2 (by 30 June 2026) must:

- Reflect the metro's final sectoral allocation decision within the permissible ranges; and
- Be fully costed and consistent with the 2026/27 Council-approved budget tables.

**During 2026/27:**

- Metros must maintain all eight Minimum Commitments (M1-M8); and
- Metros must report against the full set of indicators as defined in Guidance Note 4, Annexure A (and in the Programme Operations Manual (POM)).

**For Cohort 1, 2026/27 is the first year in which trading services performance is assessed against Council-approved targets.** It is not a preparatory or "dry run" year. Achievement against these targets will be assessed between July-Sept 2026.

Failure to achieve or maintain Minimum Commitments may result in withholding and reallocation of incentive funds in accordance with DoRA and the POM.

**2.7.2 Cohort 2: Programme Year-1 (2026/27)**

For Cohort 2 trading services, 2026/27 constitutes Year-1 (entry year).

**In advance of the 2026/27 year:**

- Cohort 2 metros received indicative allocations for their trading services for 2026/27 in the 2026 DoRB;
- Metros must finalise and obtain Council approval of A3-PIAP v1 by 30 June 2026;
- The eight Minimum Commitments (M1–M8) must be formally made by 30 June 2026; and
- Cohort 2 trading services should allocate their 2026/27 incentive to reform-related expenditure (e.g. reform start-up costs and reform-related capital expenditure).

**During 2026/27:**

- The eight Minimum Commitments (M1–M8) must be achieved by 30 June 2027; and
- Preparatory reforms, institutional restructuring, financial modelling, and business and investment planning must be completed by 30 June 2027.

**2.7.3 Reporting and Independent Verification**

The Independent Verification Agent (IVA) verifies compliance with Minimum Commitments and performance against programme indicators.

Metros need to plan and budget for the forthcoming financial year, taking account of any positive or negative variance in expected incentive grant allocations for the forthcoming financial year. In other words:

- Performance for the **2025/26 financial year** will be independently verified between July-September 2026. The result of this verification **may affect Cohort 1's 2027/28 budget allocation and cohort 2's 2026/27 adjustments budget.**
  - Cohort 1's performance for 2025/26 will be assessed on a binary basis (in place / not in place), rather than through weighted proportional scoring, since the expected deliverable is a complete PIAP v2 with firm targets, supported by the business plan and budget which are two of the minimum commitments (M5 and M6).

- Cohort 2's performance for 2025/26 will be assessed based on submission of Council resolution to achieve the Minimum Commitments and approval of the A3: PIAP v1.
- Performance for the **2026/27 financial year** will be independently verified during July-September 2027. The result of this verification **may affect the metro's 2028/29 budget allocation**.

Metros are required to upload all performance claims and supporting evidence to the National Treasury MTSR online portal, scheduled to become operational in early 2026. Metros must ensure that internal data governance, reporting systems and management arrangements are aligned to enable timely and complete evidence submissions.

While the MTSR requires quarterly and annual reporting necessary for performance verification and incentive administration, these requirements are designed to leverage existing municipal reporting systems, including *m*SCOA financial reporting; Section 71 monthly and quarterly reporting; MFMA Circular No. 88 performance indicators; and standard conditional grant reporting frameworks. The reform seeks to strengthen existing systems rather than create parallel reporting processes or impose unnecessary administrative burdens.

#### 2.7.4 Guidance documents and Programme Operations Manual (POM)

The Metro Trading Services Reform Programme Operations Manual (POM) will be released following the 2026 National Budget. The POM sets out the detailed institutional, financial, reporting, verification, governance and risk management procedures for implementation of the MTSR and administration of the UDFG-MTS component. The POM defines Minimum Commitments and performance indicators; specifies reporting templates and timelines; details IVA processes; and clarifies disbursement, stopping and reallocation provisions.

A number of Guidance Notes and related Annexures have been prepared to guide metros on the expectations of the MTSR performance incentive. These guidance documents set out what metros are expected to achieve in line with the reform to qualify for the incentive.

The Grant Framework in the 2026 DORB for the UDFG (MTS component) provides the expected outcomes, outputs, conditions and responsibilities for the performance incentive grant.

Metros must therefore implement the MTSR in accordance with the Grant Framework in the DoRB, the DoRA, the MFMA, its regulations and Circulars (including this Circular), related national legislation and policy, as well as MTSR Guidance Notes and their annexures and the POM.

#### 2.8 Criteria for the release of the Equitable Share

The criteria for the release of the equitable share which were covered in MFMA Circulars No. 122 remain relevant and are still applicable for the release of equitable share instalments in the 2025/26 financial year.

Municipalities must put systems and processes in place to comply with the criteria for the release of the equitable share. For example, to formally assign/delegate this to a responsible official, include it in performance agreements, have a council policy, create a standard operating procedure, and add this requirement as a SDBIP indicator.

Failure to comply with the criteria will result in National Treasury invoking Section 38 of the MFMA which empowers National Treasury to withhold a municipality's equitable share if the municipality commits a serious or persistent breach of the measures established in terms of

Section 216(2) of the Constitution which includes reporting obligations set out in the MFMA and National Treasury requests for information in terms of Section 74 of the MFMA.

## 2.9 Criteria for the rollover of conditional grant funds

In terms of Section 21 of the Division of Revenue Act, 2025 (Act No. 2 of 2025) (DoRA) in conjunction with the Division of Revenue Amendment Act, 2025 (Act No. 12 of 2025), any conditional allocation or a portion thereof that is not spent at the end of the 2025/26 financial year reverts to the National Revenue Fund (NRF), unless the rollover of the allocation is approved in terms of subsection (2) of the DoRA. Furthermore, the receiving officer, provincial treasury and national transferring officer is required to prove to National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When requesting a rollover in terms of Section 21(2) of the 2025 DoRA, municipalities must include the following information with their submission to National Treasury. Municipalities must submit all rollover applications and queries related to the conditional grants to [Rolloverapplication@treasury.gov.za](mailto:Rolloverapplication@treasury.gov.za).

1. A formal letter, signed by the accounting officer addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of Section 21(2) of the 2025 DoRA;
2. A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated, spent and the balance per project;
3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):
  - a) Proof that the service provider was appointed for delivery of the project before 31 March 2026;
  - b) Proof of project tender and tender submissions published and closed before 31 March 2026 or with the appointment of contractor or service provider for delivery of service before 30 June 2026 in cases where additional funding was allocated during the course of the financial year of the project;
  - c) Incorporation of the Statement of Comparison of Budget and Actual Amounts; and
  - d) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2026 (attach cash flow projection for the applicable grant);
  - e) A progress report (also reflecting percentages) on the status of each project's implementation that includes an attached legible implementation plan);
  - f) The value of the committed project funding and the conditional allocation from the funding source;
  - g) Reasons why the grants were not fully spent during the year on the original allocation per the DoRA. This includes the Municipal Disaster Recovery and Response grants for transfers made during the 2025/26 financial year and not fully spent by 30 June 2026;
  - h) Rollover of rollovers will not be considered. Municipalities must therefore not include previous year's unspent conditional grants as rollover request;
  - i) An indication of the time period within which the funds are to be spent if the rollover is approved; and
  - j) Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.

No rollover requests will be considered for municipalities with vacant or acting Chief Financial Officers and Municipal Managers for a period exceeding 6 months from the date of vacancy; this also includes acting appointments because of suspensions of either MM or CFO that are more than 12 months.



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**If any of the above information is not provided or the application is received by National Treasury (Intergovernmental Relations Division) after 31 August 2026, the application will be declined.**

In addition, National Treasury will also consider the following information when assessing rollover applications; and reserves the right to decline an application should there be non-performance by the municipality in any of these areas:

1. Compliance with the in-year reporting requirements in terms of Sections 71 and 72 of the MFMA and Section 12 of the 2025 DoRA, including the Municipal Manager and Chief Financial Officer signing-off on the information sent to National Treasury;
2. Submission of the pre-audited Annual Financial Statements to National Treasury by 31 August 2026;
3. Accurate disclosure of grant performance in the 2025/26 pre-audited Annual Financial Statements, (i.e., correct disclosure of grant receipts and spending in the notes to the AFS);
4. Despite the fact that local government is required to comply with different norms and standards prescribed by different legislations, municipalities are expected to fully comply with the provisions of DoRA that relate to rollover processes and disclose conditional grant performance in the 2025/26 pre-audited Annual Financial Statements (i.e. Cash coverage and unspent conditional grants in the Statement of Financial Position) in order to verify grant expenditure; and
5. Cash available reflected in the Statement of Financial Position and Cash Flow Statements and the bank (net position including short-term investments) as at 30 June 2026 is equivalent to, or exceeds, the unspent amount at the end of the financial year. If the amount that is requested for rollover is not entirely cash-backed, such a rollover will not be approved. National Treasury will also not approve portions of rollover requests based on what is available in the bank.

It should be noted that under no circumstances will the National Treasury consider requests to rollover

1. The entire 2025/26 allocation to the municipality. In cases where the rollover request is more than 50 per cent of the total allocation, National Treasury will approve the rollover amount up to 50 per cent of the 2025/26 allocation;
2. Rollover request of the same grant for the third consecutive time. In a case where a municipality is applying for rollover as a result of additional funding, the application will be carefully considered;
3. Funding for projects procured through Regulation 32 and 37 of the Municipal Supply Chain Management Regulations (Gazette No.27636) – Projects linked to additional funding and disasters are exempted; and
4. A portion of an allocation where the proof of commitment for the rollover application is linked to invoices that were issued before or on 31 March 2026. All invoices issued to the municipality before 31 March 2026 should be paid within the same year against the allocated conditional grants. i.e., invoices must be paid within 30 days.

## 2.10 Unspent conditional grant funds for 2025/26

The process to ensure the return of unspent conditional grants for the 2025/26 financial year will be managed in accordance with Section 21 of the DoRA. In addition to the previous MFMA Circulars, the following practical arrangements will apply:

Step 1: Municipalities must submit their June 2026 conditional grant expenditure reports according to Section 71 of the MFMA reflecting all accrued expenditure on conditional



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- grants and further ensure that expenditure reported to both National Treasury and national transferring officers reconciles;
- Step 2: When preparing the Annual Financial Statements, a municipality must determine the portion of each national conditional grant allocation that remained unspent as at 30 June 2026. The unspent grant values must be determined based on the guidance that was provided in mSCOA Circular No. 13 in as far as VAT, retention and interest is concerned; and
- Step 3: If the receiving officer wants to motivate in terms of Section 21(2) of the 2025 DoRA that the unspent funds are committed to identifiable projects, the rollover application pack must be submitted to National Treasury by no later than 31 August 2026.

National Treasury will not consider any rollover requests that are incomplete or received after this deadline.

- Step 4: National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on criteria outlined above by 23 October 2026;
- Step 5: National Treasury will communicate the unspent conditional grants amount by 16 November 2026. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund (NRF) by 24 November 2026; and
- Step 6: Any unspent conditional grant funds that should have but have not been repaid to the National Revenue Fund (NRF) by 24 November 2026, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 09 December 2026 equitable share allocation.

*All other issues pertaining to Appropriation Statement and reporting on approved rollovers are addressed in the Annexure to MFMA Circular No. 86.*

### **2.11 Rollover of the Urban Development Financing Grant: metro trading services component**

The normal rules regarding rollovers will apply to the incentive grant. Essentially the Budget allocated during the National MTEF and reflected in the annual Division of Revenue Act will make provision that the cash flows be synchronised to achievements in line with the Annexure A3: Performance Improvement Action Plan (A3: PIAP).

While deadline for the submission of the rollovers, dates 31 August, earlier submission in the case of the Urban Development Financing Grant will receive a response promptly.

## **3. Budget and other management issues**

### **3.1 2026/27 Municipal Budget Tabling Timelines**

The 2026 National Budget was tabled by the Minister of Finance on 25 February 2026, which implies that Provincial Governments have two weeks thereafter to table the 2026 Provincial Budgets in the Provincial Legislators, i.e., 12 March 2026. This is in line with the PFMA – Treasury Regulations. Municipalities have sufficient time to accommodate the allocations in the DOR Bill in their 2026/27 MTREF Budgets before tabling on 31 March 2026.

The transfers from provinces to municipalities which are supposed to be included in provincial budgets and gazetted by provinces, should for all practical reasons also be available. Given that municipalities have 10 months to prepare their upcoming budgets prior to tabling it in Council for consideration, National Treasury have always advised municipalities to use the outer years



of the Annual DoRA as projections, add inflation to calculate the third year of the MTREF, when finalising the tabled budget.

For those municipalities where the budget was already in an advanced stage of preparations, they will have between tabling and the adoption stage (end of May 2026) to include and accommodate all the transfers for both national and provincial governments. This will allow National and Provincial Treasuries to verify and reconcile the transfers with the DoR Bill and provincial Gazettes.

### 3.2 Timeline for approving the revised Service Delivery and Budget Implementation plan (SDBIP) following the approval of the adjustment budget

Section 54(1)(c) of the MFMA provides that the Service Delivery and Budget Implementation Plan (SDBIP) may be revised following the approval of an adjustments budget. However, the MFMA and the Municipal Budget and Reporting Regulations (MBRR) do not explicitly prescribe the timeframe within which the revised SDBIP must be approved after the adjustments budget has been approved by council. The absence of a specified timeframe may result in inconsistent interpretations and practices across municipalities. To address this gap and ensure consistent application, the National Treasury provides the following guidance to ensure that the approved adjustments budget informs the revised SDBIP:

- Council must approve the revised SDBIP during the same council meeting where the adjustments budget is approved, if there are no structural changes to the SDBIP; and
- If the adjustments budget results in structural changes to service delivery targets or key performance indicators (KPIs), the council must approve the revised SDBIP within ten (10) working days of the adjustments budget's approval. This will ensure that any changes to service delivery targets or KPIs stemming from the adjustments budget are included in the revised SDBIP within the ten (10) working days.

Although the MFMA allows municipalities to revise the SDBIP after the adjustments budget has been approved, these revisions should not result in excessive or unnecessary changes. Significant KPI changes must be clearly justified and must follow the criteria set out in paragraph 7 of the MFMA Circular No. 129.

The National Treasury discourages excessive changes to KPIs during mid-year adjustments, as these changes may undermine effective performance monitoring and accountability.

### 3.3 Caution to manage transition risk

Municipalities are cautioned to adhere to the guidance provided in paragraph 3 (pages 4 and 5) of the Budget Circular No. 107 as the outgoing council may be tempted to prepare budget with unrealistically low tariff increases, additional absorption of unskilled staff, writing off debtors which can still be pursued and an over-ambitious capital expenditure programme. The outcome of this approach will undoubtedly be an unfunded municipal budget that threatens the municipality's financial sustainability and service delivery for the incoming Council after the elections".

National and Provincial Treasuries will be closely monitoring tabled budgets, collection rates and expenditure for any indications that the above guidance is not adhered to and appropriate consequences will be applied.

Municipal officials and councillors are reminded that interference in the implementation of the municipality's approved credit control policy may constitute an offence in terms of section 173(5)(a) of the MFMA. Offences in terms of the MFMA can result in a fine or imprisonment for up to five years, if convicted. In addition, the failure to properly implement the approved credit

control policy of the municipality by an official may constitute financial misconduct in terms of section 171 of the MFMA. In such a case, the municipality must investigate and, where necessary, institute disciplinary proceedings.

### 3.4 Warning not to enter into contracts having future budgetary implications as part of electioneering

Various municipal Councils in the past had entered into long-term contracts towards the end of their term therefore unfairly and carelessly financially committing the new Council.

Therefore, the current outgoing Council must not enter into such contacts and if there is a need, the Council should follow Section 33 of the MFMA in full. Failure to comply with such will lead to Section 216(2) being imposed until such a contract is nullified.

### 3.5 Cost reflective tariffs

In line with the guidance provided in MFMA Circular No. 132, municipalities need to complete the cost reflective tariff tool. If tariffs are not cost reflective already, the municipality needs to set out a path to achieve cost-reflective tariffs over the 2026/27 MTREF period.

At the time of issuing this circular NERSA has not yet confirmed the approved bulk costs municipalities must provide for in 2026/27. Municipalities must communicate clearly to the public that the electricity tariffs communicated in their tabled budgets may need to be adjusted once these are confirmed. Municipalities are advised to closely follow further guidance from NERSA.

### 3.6 Budgeting for a Funded Budget

National Treasury has observed over the years that many municipalities that adopt unfunded budgets are adopting **budget funding plans** as a mere compliance exercise. There is very little progress made to turn around from an unfunded budget position, to a funded one. As communicated before with the release of MFMA Circular No. 129 (issued during December 2024), this will be the last year than a funding plan as an instrument to facilitate measurable progress will be allowed. The enforce of compliance with Section 18 of the MFMA will now start taking precedence.

## 4. Municipal Standard Chart of Accounts (mSCOA)

### 4.1 Alignment of cash flow linkages

In terms of GRAP 2, cash flows should be classified in accordance with the nature of the activity to which they relate (operating, investing or financing) which requires that:

- Both operating and investing activities for *Interest, Insurance Refund and Retentions* must be accounted for based on the nature of the transactions; and
- The *Interest on short-term investment* (greater than 90 days but less than 12 months) and *long-term investments* (more than 12 months) must be populated within investing activities. Short-term investments are disclosed on the Statement of Financial Performance on table A4 of the A1 Schedule.

To give effect to this GRAP standard:

- A new operational funding source, namely *Insurance Refunds*, has been created under the Investing Activities of tables A7 and SA30 of the A1 Schedule in version 7.1 of the mSCOA chart;



- The VAT Receipts will be populated using the Bank Deposits (IA001001 – "DEPOSITS") and VAT Receipt funding source. The VAT Control account receipts will not be used for this purpose; and
- *Construction Contract Revenue* will no longer form part of *Sales of Goods and Rendering of Services and Development Charges* will no longer form part of *Operational Revenue*. A new funding source was created to allow for the separate population of *Construction Contract Revenue* and *Development Charges* as part of *Other Revenue* on table SA30 of the A1 Schedule.

The structure of table A7 of the A1 Schedule and relevant cash flow linkages has also been aligned to the *m*SCOA chart version 7.1. The updated linkages to supporting table SA30 that populated table A7 are attached as **Annexure B: Cash Flow Linkages**.

#### 4.2 Guidance on submission of *m*SCOA roadmaps

Municipalities are reminded that the municipal *m*SCOA Road Maps must be revised annually as part of the annual budget process. The draft and final *m*SCOA Road Maps must be:

- Tabled and adopted in Council as part of the supporting documents to the budget; and
- Submitted in PDF format to the GoMuni Upload portal for review by National and Provincial Treasuries.

Going forward, municipalities are required to utilise the FMCMM web-based system to conduct self-assessments of their *m*SCOA road maps. This high-level self-assessment will identify gaps in *m*SCOA implementation that should be incorporated into and addressed through the municipal *m*SCOA Road Map. The e-road map must align with the objectives, tasks, and activities outlined in the municipality's comprehensive (traditional) *m*SCOA road map.

Accordingly, in addition to the draft and final *m*SCOA road maps submitted by municipalities as part of their tabled and adopted budget documents, the *m*SCOA e-road map (i.e. the high-level action plan generated through the FMCMM system) must be attached to the comprehensive (traditional) *m*SCOA road maps. The *m*SCOA road map and annexed e-road map must be submitted as a single consolidated PDF document and not as separate documents.

As articulated in MFMA Circular No 112 dated 6 December 2021, municipal *m*SCOA Road Maps should cover the following implementation areas:

- **System landscape** – does the municipality has access to updated ICT hardware, software and licenses that is sufficient to run the chosen financial management systems solution?
- **Governance and institutional arrangements** – are there a functional *m*SCOA steering committee or equivalent structure consisting of representatives from all business units, that meet regularly to monitor and report on *m*SCOA related issues to Management Committee (MANCO), Executive Committee (EXCO) and Council? Furthermore, did the municipality appoint a suitably qualified System Administrator and the required IT securities are in place?
- **System functionality** – is the functionality of the system complying with the minimum business processes and system specifications articulated in MFMA Circular No 80; is the municipality utilising the core financial system solution and its modules optimally; and are 3rd party sub-systems seamlessly integrating with the *m*SCOA enabling financial system?
- **Proficiency** of municipal officials to use the financial system – are the relevant municipal officials sufficiently capacitated on all system modules and functionalities to use the financial systems solution; are relevant officials in the organisation familiar with the *m*SCOA chart, balance sheet budgeting, and movement accounting; and have change

management taken place to ensure that *m*SCOA is institutionalised as an organizational reform and not only a financial reform?

Importantly, the municipal *m*SCOA Road Map should not be confused with the roadmaps used by system vendors for system upgrades, new developments, error-correction patches, updates, or training. The municipal *m*SCOA Road Map is broader than system functionality and must be developed and owned by the municipality. It should therefore not be prepared or driven by system vendors or external consultants.

The e-road map is intended to enhance oversight and monitoring by municipalities and provincial treasuries with respect to the implementation of *m*SCOA at municipal level.

#### 4.4 Stage 3 validation

The development and piloting of the stage 3 validation to verify the credibility of *m*SCOA data strings submitted to the Local Government Database and Reporting System (LGDRS) has not been concluded and will only be introduced in the 2027/28 MTREF. This validation will automate the data string analysis currently undertaken by the National and Provincial Treasuries, and data string submissions that fail this validation will be rejected.

In preparation for the implementation of the stage 3 validation and ensure that credible data strings are submitted to the GoMuni Upload portal, municipalities should request their system vendors to incorporate additional validation rules within their municipal system solutions. At a minimum, these validation rules should address and resolve the following common errors identified in the submitted data strings:

- **Correct usage of the funding segment:** Some municipalities are not utilising the funding segment as per the guidance in the Project Summary Document (PSD), e.g. funded transactions are linked to non-funding transactions. The National Treasury will implement an addition validation to ensure the adherence of the principles of the PSD and ensure accurate populating of the Cash Flow Statement in chart version 7.2.
- **Unbundling of the Salary Clearing and Control Account:** A number of municipalities are not correctly unbundling the salary clearing and control accounts in accordance with the accounts prescribed in the *m*SCOA Chart of Accounts. This results in reporting inaccuracies relating to outstanding salary payments and third-party liabilities associated with payroll transactions;
- **Population of the cash flow tables:** The cash flow tables (A7, SA30, B7, SB30, C7 and SC30) in the A1 Schedules are not being fully and correctly populated by municipalities during the budgeting and transactional processes. Guidance on the updated linkages to supporting table SA30 that populated table A7 are attached as **Annexure B: Cash Flow Linkages** of this circular;
- **Opening balances:** Currently, the opening balances at year end (M12 as at 30 June) of the previous financial year are not being correctly rolled over to the first month (M01 as at 01 July) of the new financial year. In addition, these balances are not being updated to reflect the pre-audited (PAUD) and audit (AUDA) adjustments in the current financial year within the applicable open period(s). This validation rule(s) should test whether the opening balances have been rolled over correctly and balances off to zero. National Treasury will implement a validation rule to ensure that opening balances equal to zero in the third stage validation in chart version 7.2;
- **Function:** Currently, the use of the function segment by municipalities is not aligned with the guidance provided in the PSD for the function segment. Each function should net off to zero and should reflect a mini trial balance (Identified Revenue, Assets, Liabilities, Expenditure and Net Assets) (i.e., identified revenue, assets, liabilities, expenditure, and net assets) linked to the appropriate function and sub-function. The stage three validation should identify where budget allocations have not been allocated to the correct item within

a function or sub-function. In addition, all sub-functions are expected to balance to zero; and

- **Region:** The usage of the regional segment by municipalities is not aligned with the guidance provided in the PSD for the regional segment. Municipalities must ensure that each regional segment used balances to zero. Furthermore, each region should reflect a mini trial balance i.e., identified revenue, assets, liabilities, expenditure, and net assets) linked to the appropriate region or ward.

#### 4.5 Retentions

In accordance with GRAP 19.18, accruals represent liabilities for goods or services that have been received or supplied but have not yet been paid, invoiced, or formally agreed with the supplier. For financial reporting and contract management purposes, once work has been certified as completed, the municipality becomes legally obligated to pay the full value of the work performed, inclusive of VAT, to the supplier.

A retention represents a delayed payment and not a reduction in the amount payable for the work performed. It therefore reflects only a timing difference in the settlement of the liability and does not reduce the contract price. Consequently, the full certified amount must be recognised, with the retention portion recorded as a liability until it becomes contractually due for release.

Accordingly, when work has been completed, the retention amount must be recognised inclusive of VAT and recorded to the Retention Liability account, with the VAT portion allocated to the Input VAT Accrual account, as this reflects the municipality's full obligation for the work performed.

However, given that most municipalities account for VAT on a payment basis with the South African Revenue Service (SARS), the claiming of VAT can only occur once the retention invoice has been received, recognised and paid. The VAT should therefore be processed against Input Tax General (for operational projects) or Input Tax Capital (for capital projects), as applicable.

Where a municipality accounts for VAT on an invoice basis with the South African Revenue Service (SARS), the VAT may only be claimed once the retention invoice has been received and recognised. In such cases, the VAT must also be processed against Input Tax General (for operational projects) or Input Tax Capital (for capital projects), as applicable.

#### 4.6 Virement data strings and report

From the 2025/26 MTREF, municipalities report on their virements through the submission of a separate data string and report on virements to the GoMuni Upload portal.

*m*SCOA Circular No. 8, dated 24 April 2020 (as revised on 29 April 2020) has been updated to include the requirements of the virement data string and virement report. In accordance with the key principles set out in *m*SCOA Circular No. 8, municipalities are reminded of the following:

- **Virement Policy Alignment:** Municipalities must review their virement policies annually to ensure alignment with the principles and guidance contained in the circular and the broader *m*SCOA regulatory framework;
- **Multi-Dimensional Budgeting:** As a business reform, *m*SCOA requires multi-dimensional budgeting and the recording of transactions across the seven *m*SCOA segments. The circular provides guidance on how virements (budget transfers) must be managed within this framework;
- **Restrictions on Virements:** Virements may only take place within a function or its sub-functions and must utilise the same source of funding;

- **Adjustments Budget Requirement:** Where a proposed virement results in a change to an mSCOA segment (for example, the introduction of a new project, a change in region, or a change in the funding source), such a change is not permitted as a virement and must instead be processed through a formal adjustments budget approved by council; and
- **Prohibition on Certain Virements:** Municipal virement policies must explicitly prohibit virements from the repairs and maintenance project within the project segment.

**4.7 The Urban Development Financing Grant**

The Urban Development Financing Grant (UDFG) is a new incentive-based financing grant supporting investment in urban development and resilient infrastructure and is targeted at the eight metropolitan municipalities. The grant has been established to support Metro’s in line with the Metro Trading Services Reform.

As of 2026/27 MTEF the UDFG will be administered through the following components, namely:

- Metro Trading Services component (MTS);
- Neighbourhood Development Partnership component (NDP);
- Programme for Project Preparation Support component (PPPS); and
- Public Employment Programme (PEP).

The chart has been amended in version 7.1 (2026/27) to include an Operational Project within the Project Segment for UDFG with a breakdown for the components, namely, MTS, NDP, PPPS and PEP. More details must be provided for Capital Projects. Metros must ensure that the naming of individual capital projects funded from the UDFG includes the standardised codes e.g. Substation – UDFG (MTS). The standardised codes are as follow:

- UDFG – Metro Trading Services (MTS)**
- UDFG – Neighborhood Development Partnership (NDPG)**
- UDFG – Project and Programme Preparation Support (PPP)**
- UDFG – Public Employment Programme (PEP)**

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This will enable ring fencing of expenditure funded from the UDFG per component.

Herewith an example of the reporting done during disaster reporting:

ACCOUNT CODE	Account Name	PROJECT NAME
PC00100100220010000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Bisasar Road Landfill: Closure Preparation
PC00100100220010000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Bisasar Road Landfill: Closure Preparation
PC00100100220010000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Bisasar Road Landfill: Closure Preparation
PC00100100220010000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Bisasar Road Landfill: Closure Preparation
PC00100100220010000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Bisasar Road Landfill: Closure Preparation
PC00100100220010000000000000000000	Capital:Infrastructure:Existing:Renewal:Solid Waste Infrastructure:Landfill Sites	G46247 : Bisasar Road Landfill: Closure Preparation

**4.8 Reporting pertaining to the Metro Trading Services Reform**

The MTSR aims to restore and sustain electricity, water, sanitation, and waste services in Metros through institutional and financial reforms. Towards this end, a 6-year, R54 billion performance-linked incentive grant with technical assistance is provided to Metros to:

- Strengthen accountability and financial transparency;
- Unlock R108 billion in total infrastructure investment, leveraging improved revenue and borrowing capacity;
- Improve service reliability, quality, and sustainability; and



- Enable spatial transformation, economic inclusion, and growth.

To participate in the reform, Metros must maintain eight minimum commitments. The National Treasury's annual *m*SCOA Compliance Assessment (previously referred to as the *m*SCOA ICU desktop assessment), which has been incorporated into the FMCMM web-based system from the 2026/27 MTREF, will be used to validate compliance with Indicator A2 relating to *m*SCOA compliance.

The intention is that each Metro, based on its current level of compliance, will implement plans and targets to achieve full compliance by Year-6 (Y6) of the reform. In the first year of the reform (Y0), the score obtained in the 2024/25 *m*SCOA Compliance Assessment, which was shared with metros during the mid-year budget and performance engagements, will serve as the baseline position. Thereafter, year-on-year improvements in the *m*SCOA Compliance Assessment scores will be expected as Metros progress towards achieving their targets.

The results of the *m*SCOA Compliance Assessment (downloaded from the FMCMM web-based system), together with the *m*SCOA Road Map submitted to GoMuni Upload platform to address gaps in implementation, will be used by the Independent Verification Agent (IVA) as evidence of achievement for this indicator.

Metros are also reminded that Indicator M7 requires that separate financial statements, prepared in the *m*SCOA aligned Specimen AFS format, must be compiled and submitted for each trading service, aggregated to the consolidated Metro AFS.

## 5. Submitting documents to the GoMuni Upload Portal

### 5.1 Submission of additional information

In line with its commitment to improving transparency and accountability, the National Treasury requested the following information from municipalities via a letter from the Director-General of the National Treasury:

#### **Procurement Spend Information**

An *Instruction on Procurement Information Transparency* has been issued by the National Treasury for the publication of the dashboard and requesting procurement information from procurement systems of all departments, public entities and constitutional institutions. The published information will include, but is not limited to, supplier and ownership details, the nature, value, quantity of procurement transactions, and payments made to suppliers. It is intended that similar procurement information will be published in respect of local government in the procurement payments dashboard. The prescribed template is attached as **Annexure C**.

#### **Employee Information**

The National Treasury has additionally committed to improving transparency and accountability in personnel systems. A data driven ghost worker audit has been initiated at national and provincial government. It is intended that the ghost worker audits will be extended to local government. The information requested will be used for this initiative. The prescribed template is attached as **Annexure D**.

#### **Audit management reports**

Municipalities are required to upload all the communication of findings (COFAFS), as well as the final audit management report issued by the Auditor General to the LGDRS. With effect

from the 2026/27 MTREF, the COFAPS will be added as an upload option on GoMuni Upload. Please note that these reports, as issued by the Auditor-General, must not be altered in any way.

The National Treasury understands the sensitivity associated with the Auditor-General's management report. Municipalities are assured that the management reports are exclusively for internal use by National and Provincial Treasuries to determine the key areas that our municipal support programmes should target.

Should your municipality not be in possession of the management report, kindly provide us with a formal letter of permission to obtain the said report directly from the Office of the Auditor-General South Africa. The letter of permission must be on an official letterhead of the municipality and signed by the Accounting Officer (Municipal Manager).

All enquiries should be directed to:

INFORMATION REQUIRED		SUBMISSION PLATFORM	SUBMISSION DATE	QUERIES
1	Procurement Spend Report	GoMuni Upload Portal at <a href="https://lg.treasury.gov.za/ibi_apps/welcome">https://lg.treasury.gov.za/ibi_apps/welcome</a>	Within 10 working days after the end of each month	Thys Blom at <a href="mailto:Thys.Blom@treasury.gov.za">Thys.Blom@treasury.gov.za</a>
2	Employee Related Data	Central Supplier Database (CSD) at <a href="http://www.csd.gov.za">www.csd.gov.za</a>	Templates available under the GoPublic / Template Library portal	<a href="mailto:csdoos.support@treasury.gov.za">csdoos.support@treasury.gov.za</a>
3	Management Reports and COFAPS		By no later than the 10th working day in January annually	

The templates are can also be accessed under the GoPublic / Template Library portal on [https://lg.treasury.gov.za/ibi\\_apps/portal/Template\\_Library](https://lg.treasury.gov.za/ibi_apps/portal/Template_Library).

The procurement spend and employee information should be available on municipal procurement systems and HR sub-systems of all municipalities. Municipalities should liaise with their respective system vendors to extract this information in the required templates format directly from their relevant systems.

This information is requested in terms of sections 5(2)(c), 33(3) and 74 of the Municipal Finance Management Act, 2003 (MFMA).

## 6. The Municipal Budget and Reporting Regulations

### 6.1 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape Buffalo City	Matjatji Mashoeshoe Pitso Zwane Mandla Gilimani	012-315 5553/ 0609242914 012-315 5171 012-315 5807/0661198036	<a href="mailto:Matjatji.Mashoeshoe@treasury.gov.za">Matjatji.Mashoeshoe@treasury.gov.za</a> <a href="mailto:Pitso.Zwane@Treasury.gov.za">Pitso.Zwane@Treasury.gov.za</a> <a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
Free State	Cethekile Moshane	012-315 5079	<a href="mailto:Cethekile.moshane@treasury.gov.za">Cethekile.moshane@treasury.gov.za</a>
Gauteng City of Tshwane and City of Johannesburg City of Ekurhuleni	Matjatji Mashoeshoe Pitso Zwane Willem Voigt Makgabo Mabotja Khanyisile Khosa Kgomotso Baloyi Lunathi Dumani	012-315 5553 012-315 7538 012-315 5830 012-315 5156  012-315 5866/082 887 2968	<a href="mailto:Matjatji.Mashoeshoe@treasury.gov.za">Matjatji.Mashoeshoe@treasury.gov.za</a> <a href="mailto:Pitso.Zwane@Treasury.gov.za">Pitso.Zwane@Treasury.gov.za</a> <a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a> <a href="mailto:Makgabo.Mabotja@treasury.gov.za">Makgabo.Mabotja@treasury.gov.za</a> <a href="mailto:khanyisile.khosa@treasury.gov.za">khanyisile.khosa@treasury.gov.za</a> <a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a> <a href="mailto:Lunathi.dumani@treasury.gov.za">Lunathi.dumani@treasury.gov.za</a>
KwaZulu-Natal  eThekweni uMhlatuze	Kgomotso Baloyi Lunathi Dumani Kevin Bell Sifiso Mabaso Matjatji Mashoeshoe Pitso Zwane	012-315 5866  012-315 5725 012-315 5952/060 923 7343 012-315 5553/060 326 6885 012 315 7538	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a> <a href="mailto:Lunathi.dumani@treasury.gov.za">Lunathi.dumani@treasury.gov.za</a> <a href="mailto:Kevin.Bell@treasury.gov.za">Kevin.Bell@treasury.gov.za</a> <a href="mailto:Sifiso.mabaso@treasury.gov.za">Sifiso.mabaso@treasury.gov.za</a> <a href="mailto:Matjatji.Mashoeshoe@treasury.gov.za">Matjatji.Mashoeshoe@treasury.gov.za</a> <a href="mailto:Pitso.Zwane@Treasury.gov.za">Pitso.Zwane@Treasury.gov.za</a>
Limpopo	Sifiso Mabaso Jabulile Ngwenya	012-315 5952/060 923 7343	<a href="mailto:Sifiso.Mabaso@treasury.gov.za">Sifiso.Mabaso@treasury.gov.za</a> <a href="mailto:Jabulile.ngwenya@treasury.gov.za">Jabulile.ngwenya@treasury.gov.za</a>
Mpumalanga	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
Northern Cape	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
North West  Mafikeng	Willem Voigt Makgabo Mabotja Khanyisile Khosa Cethekile Moshane	012-315 5830 012-315 5156  012-315 5079	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a> <a href="mailto:Makgabo.Mabotja@treasury.gov.za">Makgabo.Mabotja@treasury.gov.za</a> <a href="mailto:khanyisile.khosa@treasury.gov.za">khanyisile.khosa@treasury.gov.za</a> <a href="mailto:Cethekile.moshane@treasury.gov.za">Cethekile.moshane@treasury.gov.za</a>
Western Cape  Cape Town George	Willem Voigt Khanyisile Khoza Kgomotso Baloyi Sifiso Mabaso	012-315 5830 012-315 5385 012-315 5866/082 887 2968 012-315 5952/ 060 923 7343	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a> <a href="mailto:khanyisile.khosa@treasury.gov.za">khanyisile.khosa@treasury.gov.za</a> <a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a> <a href="mailto:Sifiso.Mabaso@treasury.gov.za">Sifiso.Mabaso@treasury.gov.za</a>
Technical issues on GoMuni Website	Data management		<a href="mailto:lgdataqueries@treasury.gov.za">lgdataqueries@treasury.gov.za</a>
Local government Conditional Grants			<a href="mailto:Sello.mashaba@treasury.gov.za">Sello.mashaba@treasury.gov.za</a> <a href="mailto:Pretty.mavhungu@treasury.gov.za">Pretty.mavhungu@treasury.gov.za</a> <a href="mailto:Marvin.ngobeni@treasury.gov.za">Marvin.ngobeni@treasury.gov.za</a> <a href="mailto:Akanyang.modise@treasury.gov.za">Akanyang.modise@treasury.gov.za</a> <a href="mailto:Sandra.admams@treasury.gov.za">Sandra.admams@treasury.gov.za</a>
Municipal (Eskom) and or Water Debt Relief and Smart Metering	LGBA: Revenue Section (Sadash Ramjathan)		<a href="mailto:revenuemanagement@treasury.gov.za">revenuemanagement@treasury.gov.za</a>

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## Contact



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National Treasury  
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**Post** Private Bag X115, Pretoria 0001  
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**JH Hattingh**  
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**20 March 2026**

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## Annexure A – Previous MFMA Circulars

### Water scarcity issues dealt with in previous MFMA Circulars

Municipalities were reminded in the following MFMA budget Circulars to treat water as a scarce resource as follows:

MFMA Circular	Reference no. and Description	Comments
MFMA Circular No: 51	3.2 Water tariffs must be cost-reflective	South Africa faces similar challenges with regard to water supply as demand growth outstrips supply. Better maintenance of infrastructure, new dam construction and cost-reflective tariffs will ensure that the supply challenges are managed in future.
MFMA Circular No: 54	5.2 Water tariffs must be cost-reflective	There continues to be an urgent need to promote the careful use of water. Ensuring that water is correctly priced is the most effective means getting households and businesses to conserve water.
MFMA Circular No: 55	3.3 Water tariffs must be cost-reflective	To mitigate the need for water tariff increases, municipalities must put in place an appropriate strategy to limit water losses to acceptable levels. In this regard municipalities must ensure that water used by its own operations is charged to the relevant service and not simply attributed to water 'losses'.
MFMA Circular No: 58	3.4 Water and sanitation tariffs must be cost-reflective	To mitigate the need for water tariff increases, municipalities must put in place an appropriate strategy to limit water losses to acceptable levels. In this regard municipalities must ensure that water used by its own operations is charged to the relevant service and not simply attributed to water 'losses'.
MFMA Circular No: 67	5.6 Municipal water infrastructure grant and non-revenue water	According to the latest National Non-Revenue Water Assessment Report (The state of nonrevenue water in South Africa, Report TT522-12: <a href="http://www.wrc.org.za">www.wrc.org.za</a> ); recently released by the Water Research Commission and the Department of Water Affairs, more than 50 per cent of municipalities cannot provide a water balance. These municipalities cannot determine whether demand for water exceeds supply or quantify the extent to which non-revenue water influences water security and financial sustainability.
MFMA Circular No: 74	Water and sanitation tariffs must be cost-reflective	To mitigate the need for water tariff increases, municipalities must put in place an appropriate strategy to limit water losses to acceptable levels. In this regard municipalities must ensure that water used by its own operations is charged to the relevant service and not simply attributed to water losses.
MFMA Circular No: 78	5.2 Water and sanitation tariff increases	In light of the current drought being experienced across large parts of the country, and to mitigate the need for water tariff increases, municipalities must put in place appropriate strategies to limit water losses to acceptable levels. In this regard municipalities must ensure that water used by its own operations is charged to the relevant service and not simply attributed to water losses.
MFMA Circular No: 79	4. Revenue management	Demand management is becoming increasingly necessary as the country faces water shortages and an unstable electricity supply. The approach to tariff setting should consider all these factors and strive to achieve an equitable balance. It is anticipated that the cost of providing municipal services will grow at a faster rate than the transfers from national government. Resource scarcity will most likely increase the cost of bulk purchases in respect of water and electricity beyond the country's inflationary targets.

MFMA Circular No: 85	4.3 Water and sanitation tariff increases	In light of the current drought experienced across large parts of the country, water is now a scarce resource that must be conserved. Municipalities must put in place appropriate strategies to curb water losses as a result of leakages. The ageing infrastructure is a contributing factor as many municipalities have historically inadequately provided for repairs and maintenance and renewal of water infrastructure.
MFMA Circular No: 89	3.3 Water tariff increases	The prevailing drought makes it difficult for some municipalities to improve revenue generation from this service. It is now more important to improve demand management, infrastructure maintenance, loss management, meter reading and tariff setting in respect of water services.
MFMA Circular No: 91	1. The South African economy and inflation targets	The drought experienced in several provinces poses significant risks to agriculture and tourism for the period ahead, and this may threaten jobs in these sectors. The current water crisis in the Western Cape and other provinces will affect economic growth. While the drought's impact is uncertain much depends on how long it will prevail; the extent to which specific catchment areas are affected; and the success of mitigation measures.
MFMA Circular No: 93	3.3 Water tariff increases	Drought conditions make it difficult for some municipalities to improve revenue generation from this service. It is now more important to improve demand management, infrastructure maintenance, loss management, meter reading and tariff setting in respect of water services.
MFMA Circular No: 98	4.2 Setting cost reflective tariffs	Technical losses are related to physical losses out of the system. In the case of water, this is due to pipe bursts and leakages or due to overflows on storage tanks.
MFMA Circular No: 99	1. The South African economy and inflation targets	The declining economic growth which might be impacted on further by the Corona virus pandemic and international companies closing down as a result, the deteriorating state of the finances for state-owned entities, continued high unemployment and water and electricity shortages will put pressure on the ability of municipalities to raise revenue. Municipalities are therefore advised to follow a conservative approach when projecting their revenue and to eliminate any waste and unnecessary expenditure.
MFMA Circular No: 112	7. Funding choices and management issues	Strictly control the use of costly water tankers and fix the water infrastructure to enable the sustainable provision of water. Curbing the consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.
MFMA Circular No: 115	7. Funding choices and management issues	Strictly control the use of costly water tankers and fix the water infrastructure to enable the sustainable provision of water; Curbing the consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.
MFMA Circular No: 126	3.7 Pro-actively managing collection of municipal revenue in Eskom supplied areas	Until ERA is amended it is critical that municipalities update their By-laws and policies to facilitate and legally allow the restriction of water as part of proper credit control for municipal revenue collection in Eskom supplied areas.

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<p>MFMA Circular No: 128</p>	<p>2.6. Reforms to improve the efficiency and financial sustainability of metro's trading services</p>	<p>Due to years of neglect and inadequate infrastructure maintenance, South Africa's municipalities face severe utility services issues, including in water, wastewater, and electricity. A loss of essential management and technical skills has also contributed to the decline in service quality and reliability. Metro water services alone suffer from an investment gap of R9 billion per year. These inefficiencies threaten economic growth and job creation and increases poverty. Government transferred substantial monetary allocations to local government in the successive Budgets to support water services, but the outcome and value for money of these transfers is low. To address this, an incentive grant system is being explored for 2025/26 to increase investments, change management and governance structures, promote professional management, and ensure transparency, starting with metros.</p>
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# Medium Term Revenue and Expenditure Framework (MTREF)

## Service Level Standards 2026/2027

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**Overberg District Municipality (DC 03) - Schedule of Service Delivery Standards Table**

Description	Service Level
<b>Standard</b>	
<b>Solid Waste Removal</b>	
Premise based removal (Residential Frequency)	No Service
Premise based removal (Business Frequency)	No Service
Bulk Removal (Frequency)	No Service
Removal Bags provided(Yes/No)	No Service
Garden refuse removal included (Yes/No)	No Service
Street Cleaning Frequency in CBD	No Service
Street Cleaning Frequency in areas excluding CBD	No Service
How soon are public areas cleaned after events (24hours/48hours/longer)	No Service
Clearing of illegal dumping (24hours/48hours/longer)	No Service
Recycling or environmentally friendly practices(Yes/No)	No Service
Licensed landfill site(Yes/No)	yes
<b>Water Service</b>	
Water Quality rating (Blue/Green/Brown/NO drop)	No Service
Is free water available to all? (All/only to the indigent consumers)	No Service
Frequency of meter reading? (per month, per year)	No Service
Are estimated consumption calculated on actual consumption over (two month's/three month's/longer period)	No Service
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	No Service
Duration (hours) before availability of water is restored in cases of service interruption (complete the sub questions)	No Service
One service connection affected (number of hours)	No Service
Up to 5 service connection affected (number of hours)	No Service
Up to 20 service connection affected (number of hours)	No Service
Feeder pipe larger than 800mm (number of hours)	No Service
What is the average minimum water flow in your municipality?	No Service
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	No Service
How long does it take to replace faulty water meters? (days)	No Service
Do you have a cathodic protection system in place that is operational at this stage? (Yes/No)	No Service
<b>Electricity Service</b>	
What is your electricity availability percentage on average per month?	No Service
Do your municipality have a ripple control in place that is operational? (Yes/No)	No Service
How much do you estimate is the cost saving in utilizing the ripple control system?	No Service
What is the frequency of meters being read? (per month, per year)	No Service
Are estimated consumption calculated at consumption over (two month's/three month's/longer period)	No Service
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	No Service
Duration before availability of electricity is restored in cases of breakages (immediately/one day/two days/longer)	No Service
Are accounts normally calculated on actual readings? (Yes/no)	No Service
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	No Service
How long does it take to replace faulty meters? (days)	No Service
Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No)	No Service
How effective is the action plan in curbing line losses? (Good/Bad)	No Service
How soon does the municipality provide a quotation to a customer upon a written request? (days)	No Service
How long does the municipality takes to provide electricity service where existing infrastructure can be used? (working days)	No Service
How long does the municipality takes to provide electricity service for low voltage users where network extension is not required? (working days)	No Service
How long does the municipality takes to provide electricity service for high voltage users where network extension is not required? (working days)	No Service
<b>Sewerage Service</b>	
Are your purification system effective enough to put water back in to the system after purification?	No Service
To what extend do you subsidize your indigent consumers?	No Service
How long does it take to restore sewerage breakages on average	No Service
Severe overflow? (hours)	No Service
Sewer blocked pipes: Large pipes? (Hours)	No Service
Sewer blocked pipes: Small pipes? (Hours)	No Service
Spillage clean-up? (hours)	No Service
Replacement of manhole covers? (Hours)	No Service

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# Medium Term Revenue and Expenditure Framework (MTREF)

## PROCUREMENT PLAN 2026/2027

OVERBERG DISTRICT MUNICIPALITY  
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**PROCUREMENT PLAN (PROJECTIONS) FOR THE FINANCIAL YEAR 2026/27**

**NAME OF MUNICIPALITY:** OVERBERG DISTRICT MUNICIPALITY (DC3)

**NAME OF ACCOUNTING OFFICER / DELEGATED OFFICIAL:** EO PHILLIPS (ACTING)

**SIGNATURE OF ACCOUNTING OFFICER / DELEGATED OFFICIAL:**  
**TELEPHONE NUMBER AND EMAIL ADDRESS**

028 425 1157 / info@odm.org.za

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DEPARTMENT	FUNDING	DESCRIPTION OF ASSET	2026/27	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Tender (T) / Request Writing order (RQ) Existing order (ET), Purchase (O), Transfer of Contract (PT)
ICT SERVICES	CRR	DC3 Computers and Computer Equipment	450 000			250 000	200 000	T
ICT SERVICES	CRR	DC3 Network cable roll stand	13 000	13 000				FQ
ICT SERVICES	CRR	DC3 Alarm and cameras	200 000		100 000	100 000		T
EMERGENCY SERVICES	CRR	DC3 New Vehicle	2 000 000		2 000 000			RT
EMERGENCY SERVICES	CRR	DC3 Refurbishing of vehicles	200 000		200 000			ET
EMERGENCY SERVICES	CRR	DC3 Bunker Clothing	300 000	100 000	200 000			FQ
EMERGENCY SERVICES	CRR	DC3 Office Furniture and Appliances	30 000	30 000				FQ
EMERGENCY SERVICES	CRR	DC3 Rescue Equipment	150 000		150 000			FQ
EMERGENCY SERVICES	GRANTS	DC3 Water Resilience Grant	1 500 000			1 500 000		RT
EMERGENCY SERVICES	GRANTS	DC3 Fire Capacity Grant	1 299 000		1 299 000			RT
ENVIRONMENTAL MANAGEMENT SERVICES	CRR	DC3 4x4 fitment of bulbar and winch	35 000		35 000			ET
ENVIRONMENTAL MANAGEMENT SERVICES	CRR	DC3 Towbar	10 000		10 000			FQ
ENVIRONMENTAL MANAGEMENT SERVICES	CRR	DC3 Off road tire pump	3 000		3 000			FQ
ENVIRONMENTAL MANAGEMENT SERVICES	CRR	DC3 Measuring wheel	2 700		2 700			FQ
ENVIRONMENTAL MANAGEMENT SERVICES	CRR	DC3 Pollution / Alien clearing trailer	73 000			73 000		FQ
LED, TOURISM, RESORTS AND EPWP	CRR	DC3 Gas Conversion(Ablution x2)	180 000	90 000	90 000			T
MUNICIPAL HEALTH SERVICES	CRR	DC3 Furniture	30 000		30 000			FQ
MUNICIPAL HEALTH SERVICES	CRR	DC3 Building	1 198 400			1 198 400		T
SOLID WASTE MANAGEMENT	LOANS	DC3 Cell 5	20 800 000				20 800 000	ET
<b>TOTAL CAPITAL PROJECTIONS</b>			<b>28 474 100</b>	<b>233 000</b>	<b>4 119 700</b>	<b>3 121 400</b>	<b>21 000 000</b>	



# ROADMAP TO A SUCCESSFUL mSCOA PROJECT IMPLEMENTATION

## OVERBERG DISTRICT MUNICIPALITY

### 2026

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# 1. INTRODUCTION

A roadmap is a high-level strategic overview of a significant business initiative. Roadmaps are typically used to manage the development of a new product or the execution of an institution-wide project.

mSCOA: A multi-dimensional classification framework providing the method and format for recording and classifying financial transaction information in the general ledger forming part of the books of account containing a standard list of all available accounts. Implementing mSCOA therefore requires organisational change across the municipality since not only financial and budget orientated practitioners are involved. The Council needs to know that almost every municipal department when coming to mSCOA everybody is responsible and accounting. mSCOA's objective is to provide a national standard uniformity recording and classification of municipal budget and financial information from transactional level by prescribing standard of charts of accounts.

mSCOA is made of seven segments that are:

- **Funding**

What source of funding is used to buy the item? E.g. Equitable share, MIG Grant, INEP, EPWP or own revenue.

- **Item**

What is the nature or type of transaction? (Asset, Gain, Loss, Revenue, Liability, and/or Expenditure).

- **Function**

Against which function should the item be recorded?

- **Municipal Standard Classification**

Against which organisational vote or account or sub- vote should the item be recorded? (Administration, Finance or Technical).

- **Region Indicator**

What geographical area or location is deriving the benefits from the item? (Ward, Whole of municipality, Administrative of head of administration).

- **Project**

To which project is the item related? (Operational or Capital).

- **Costing**

What is the impact of the item on Cost drivers, Tariff and/or Tariff formulation?

The municipality initiated the shift to mSCOA since the 2016/2017 financial year where the financial system provider was contracted from a transversal tender

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through National Treasury to assist the municipality to be mSCOA compliant as mandated by the municipal regulations on standard charts of accounts by the 01st of July 2017. The municipality managed to enter a contract with SAMRAS

What are benefits of mSCOA?

- Efficiency

an ERP system eliminates repetitive processes and greatly reduces the need for manual entry of information. The system will also streamline business processes and makes it easier and more efficient for the Municipality to collect data. Improve compliance to Generally Recognised Accounting Principles (GRAP).

- Integrated Information –

All information is in a central and single location, data is also kept consistent and up to date. This will also lead to better decision making.

- Integrated Reporting

Easy and more customizable reporting, this will help the municipality respond to complex data request more easily.

- Customer Service

Customer service functions will experience improved interaction with customer information and history.

- Security

The new system will improve the accuracy, consistency and security of data, restriction to data will also be enhanced.

- Assist towards attaining clean audit

The system will enable the municipality accomplishing its objective by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk a management, control, and governance processes.

## 2. APPROACH

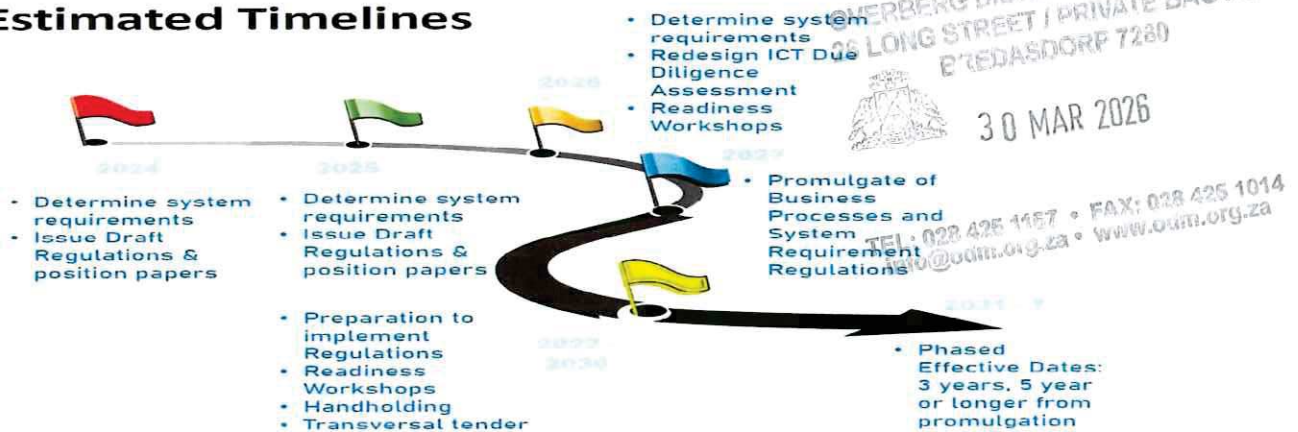
The roadmap approach will outline aspects needed to ensure that the project is realised by the target date as informed by the Municipal regulations on municipal standard chart of accounts. The process demonstrates key aspects to realise mSCOA Roadmap by integrating mSCOA, Project Approach, Legislative Mandate, Stakeholder Analysis, mSCOA Milestone expected challenges on mSCOA implementation project and Conclusion.

The Minister of Finance has, in terms of section 160(1) of the Constitution and section 168 of the MFMA promulgated the Municipal Standard Chart of Accounts (mSCOA) Regulations on 22 April 2014 (GovernmentGazetteNo.37577).

The mSCOA Regulations, 2014, states that the Minister may, by notice in the Gazette, determine the minimum business process and system requirements for municipalities and municipal entities to enable implementation of the regulations.

To achieve this, National Treasury has embarked on a project to: Review the minimum business processes and system specifications as articulated in MFMA Circular no 80 (2016) and update the minimum requirements to include legislation and other requirements that became/will become applicable after the circular was issued by the end of 2025. Regulating the minimum requirements for mSCOA, based on these updates, will be performed during the next financial year (2026).

## Estimated Timelines



### Current position:

ODM is currently aligning its implementation and MSCOA roadmap towards that of National Treasury, however the municipality is unfortunately sitting with significant risks and challenges with the current financial system being used to date. The system reached its end of life and development ceased. The system only performs selective activities, and a lot of manual intervention/activities and 3rd party systems are used to perform daily activities. Currently functions are not executed effectively and efficiently and causes a lot of pressure on limited resources (staff) in the municipality. Risk for the outdated ICT technology and security also causes a great concern. The credibility and information to make informed decisions is also very limited and timeous to compile.

Various engagements with National and Provincial confirmed that all stakeholders are aware that the current financial system used by ODM (SAMRAS Classic and SAMRAS Web-base) has reached its end of live date, hence the system will not be developed in future, nor will it be maintained. In future the MSCOA Chart versions will not be implementable.

A process to follow when considering changing financial ERP systems was proposed and are outlined in Budget Circular No 123 (paragraph 4.2). Various SAMRAS clients already approached National Treasury with the same situation, however every municipal environment is unique. Unfortunately, it is yet to be determined if any

financial system providers in the ERP environment will be MSCOA compliant, since the regulations is still to be finalised.

The municipality will have to write to the OCPO committee for inputs and response on the intention of the municipality to acquire a new system, which needs to be compliant to the current business processes as per the circulars. For the municipality to consider the change from the current financial system to a new ERP financial system, a roadmap was compiled as per the guidelines of Budget Circular No 132 (paragraph 6.3) to address gaps with the implementation of MSCOA including a checklist provided by National Treasury for guidance.

Progress includes a MSCOA committee and subcommittee already established a few years ago, roadmaps compiled, an internal assessment performed on the current financial system in 2025, whereafter the assessment was reviewed and verified by the current service provider which also confirmed that the current system is not adequate going forward with the MSCOA requirements. This brings the municipality to consider moving to a new financial system.

The municipality is of the opinion that a normal SCM process needs to be followed to acquire a new ERP system with the minimum requirements (functionalities) and modules identified by the municipality and to be enabled to comply with the business processes identified for MSCOA to date. The system will have to be continuously prepare itself to be fully MSCOA compliant when regulation is tabled and enforced.

Currently National Treasury distributed 4 position papers on the current business processes for inputs to be provided to by 31 Jan 2026.

### 1. Municipal System Integration

Propose the rules for integrated system solutions which are not fragmented, eliminate standalone systems, and provide a congruent data source, enabling a single source of the truth for statutory reporting and ensuring sound financial controls.

Integration ensures that once data is captured once, it is automatically reflected across all relevant functionalities, consistent across functionalities, and secured against alteration. Combined with the latest mSCOA chart at source, integration supports a single, auditable version of financial truth.

### 2. Use of Core Solution Chart Of Accounts As Base For Source System Integration

This position paper sets out the principles and preferred model for integrating source system data into the municipal core solution. The purpose is to ensure that all financial and operational transactions are aligned to the mSCOA, as required by the MFMA, National Treasury Regulations, and applicable GRAP standards. A critical design principle is that the core solution must serve as the single authoritative base for the mSCOA chart of accounts.

### 3. Data migration, conversion, and management

The purpose of this position paper is to establish a uniform and enforceable approach to data migration, conversion, and management for municipalities and municipal entities

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#### 4. Defining Upgrade vs New System Implementation

Criteria to determine the process to follow

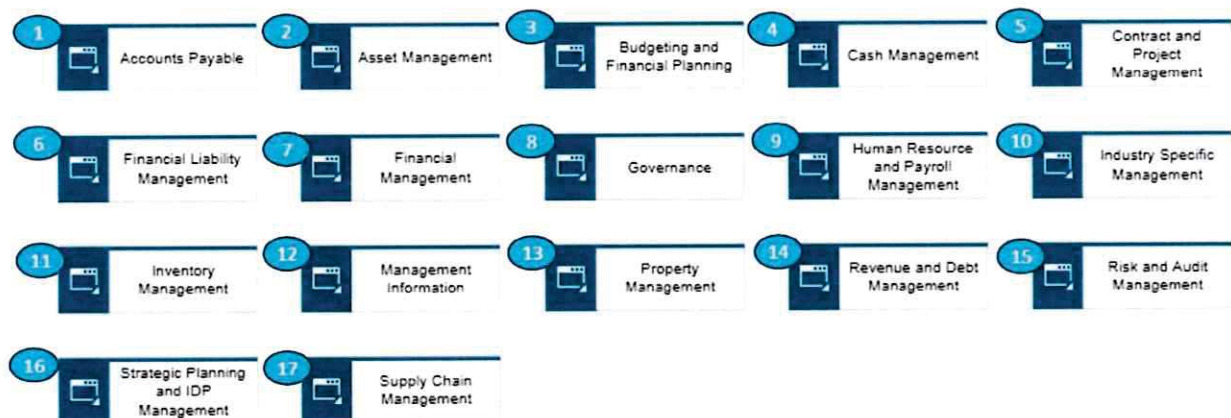
##### TIMESPAN

It is anticipated that the timelines and dates for implementation of MSCOA regulations be published in a circular in early 2026.

Dates will include:

- Further consultation on the proposed Draft Regulations: 2026
- Promulgation of new Regulations: By March 2027
- Readiness period: Phased-in approach of 3 to 5 years (depending on complexity, current readiness of municipalities and urgency to enforce, e.g. UIFW new requirements but urgent one and will possibly have 3-year readiness period).
- Effective Date: July 2030 – 2032

17 Business Processes for system functionality is as follows:



The municipality will have to continue not only making progress on the MSCOA roadmap developed but also attempt in obtaining a new financial system simultaneously to comply in future. Financial implications will also play a significant role in the affordability and requirements of the new ERP system. This will also assist in the requirement to test the market not only on the system itself but also on a competitive basis.

ODM will have to move forward to reduce current risks and to become more effective and efficient in operational as well as compliance requirements. Credibility and assurance of proper financial management and activities in the municipality will also contribute to better information management and accurate standardised reporting.



### 3. LEGISLATIVE MANDATE

Government notice No.312 Local Government: Municipal Finance Management Act (Act 56 of 2003): Municipal Regulations Standard Chart of Accounts. The Municipal Regulations on a Standard Chart of Accounts, 2014 (mSCOA), requires a significant change in municipal business processes. Consequently, mSCOA implementation involves system conversion and/ or re-implementation with all the typical risks associated with any system conversion or implementation.

Section 216 of the Constitution of the Republic of South Africa, 1996, provides that national legislation must prescribe measures to ensure transparency and expenditure control in each sphere of government by introducing generally recognised accounting practice, uniform expenditure classifications and uniform treasury norms and standards. The National Treasury is responsible for enforcing compliance with such measures, in addition to those functions assigned to it in terms of the Public Finance Management Act, 1999 (Act No. 1 of 1999). The National Treasury must compile national accounts incorporating all three spheres of government.

The Municipal Budget and Reporting Regulations, 2009, provide for the formalisation of norms and standards to improve the credibility, sustainability, transparency, accuracy, and reliability of municipal budgets. The prescribed budget formats provide the framework for the identification of the categories of municipal financial and non-financial information required in developing municipal budgets. A key objective of the proposed Regulations is to enable the alignment of budget information with information captured during the implementation of the budget.

The municipality must within its financial and administrative capacity establish a sound customer management system as prescribed in the MSA. Credit control and debt collection is the responsibility of the municipality and processes, procedures and mechanisms must be implemented in line with the policy as adopted by the Council as prescribed in the MSA.

A credit control and debt collection system that integrate with the revenue management system and that gives effect to Chapter 9 of the Municipal Systems Act, 2000.

Human resources and payroll management is the organisational function that deals with issues related to employees such as compensation, hiring, performance management, organisational development, safety, wellness, leave management, benefits, employee motivation, communication, administration, and training in line with the prescriptions of the Labour Relations Act. Staff establishment, human resources development and expenditures on staff benefits should be done according to the processes and procedures set out in the MSA and MFMA. Pay roll management entails the administration of the financial record of employees' salaries, wages, bonuses, net pay, and deductions and should be done within the limits of the approved budget and the prescriptions of the South African Revenue Services (SARS). Budgeted remuneration and benefits need to be directly aligned to the approved staff establishment with provision for vacancies shown separately and all staff payments must be reconciled monthly. The issue of productivity or performance management

can be addressed by using the latest available technologies such as bio metrics devices. In terms of Section 152 of the Constitution, local government's primary mandate is to ensure services are provided in a sustainable and developmental manner; this notion and spirit is supported by the MFMA.

**Asset management** facilitates the provision of services in a financially sustainable manner and requires adequate automation of critical process within the asset management cycle.

Typical to an effective and efficient system at least the following functions need to be addressed as part of the minimum business process requirements:

- Safeguarding of assets, e.g. asset tracking, numbering and locations;
- Maintaining assets, planned and unplanned maintenance which needs to also incorporate capital asset renewal;
- Maintenance costing as an input into asset replacement plans;
- Establishing and maintaining a management, accounting and information system that accounts for the assets of the municipality;
- Asset valuation principles in accordance with Generally Recognised Accounting Practice (GRAP);
- Establishing and maintaining systems of internal control over assets;
- Establishing and maintaining an asset register;
- Clarifying responsibilities and accountabilities for the asset management process, and
- Insurance of assets.

**Grant management** includes all the activities, processes and procedures to register and reconcile all the grants allocated, received and spent according to the conditions as outlined in the Division of Revenue Act.

### **Supply Chain Management, Expenditure Management and Accounts Payable (Creditors) needs to incorporate**

(a) Supply chain management is the management of a network of interconnected business processes involved in the provision of goods and services required by the municipality. It integrates the management of supply, demand, acquisition, logistics and disposal by implementing a supply chain management policy in compliance with the MFMA and Municipal Supply Chain Management Regulations in a fair, equitable, transparent, competitive, and cost-effective way. A Supply chain management system that gives effect to section 11 of the Municipal Finance Management Act, 2003 (MFMA), the Municipal Supply Chain Management Regulations and council's approved SCM policy.

(b) Expenditure management follows the SCM processes that should ensure an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal, and payment of funds. These expenditures should be monitored against the approved budget, and reasons for variances must be explained and corrective action must be implemented to keep expenditure in line with budget estimates.

(c) Accounts payable results from any monies owed in respect of goods and services purchased and must be settled within thirty days of date of invoice or statement unless it is prescribed otherwise. The payment of creditors or accounts payable must be reconciled monthly according to the statements received from service providers.

(d) Material and inventory management deals with the maintenance of inventory catalogues classified according to the high-level categories provided for in the Standard Chart of Accounts. Business processes need to incorporate at a minimum, ordering; issuing and management of inventory levels; preferred suppliers linked to inventory categories; flagging of stock levels with limited movements for substantial periods; regular physical counts and reconciliation to system stock records; exception reporting and enhanced controls on stock items susceptible to misuse such as illegal stock-pilling; and all sub stores to be activated on the system.

(e) Contract management entails the management of contracts through the entire Contract Life Cycle to maximise value for money that includes procedures for planning; contract creation; collaboration; execution; administration; and close-out. Contracts should be listed in a contract register embedded into the financial application that automates all the activities necessary to manage the contract as informed and dependent on the nature of the work, the type of contract, the legal aspects and delivery timeframes. It also entails the activities carried out to determine whether the service provider and the municipality are performing adequately to meet the requirements in listed contracts that had been awarded through the procurement process and the prescriptions in the MFMA; and

(f) Vendor management entails managing a supplier database in support of various strategic procurement objectives.

**Treasury and cash management** refers to investing, financing activities and operational cash management. The following processes must be considered relevant to this cycle:

(a) Investing activities comprises the acquisition, disposal, and management of tangible assets, including land, buildings, plant and machinery, motor vehicles, furniture and equipment, computer hardware, software and communication networks. Also included are acquisition, disposal, and management of intangible assets such as research and development expenditure, patents and trademarks, scientific and technical know-how, intellectual property rights such as copyrights and licenses. Municipalities and municipal entities must introduce accounting policies for depreciation, impairment, revaluation, asset retirement, etc.

(b) Financing activities are how the municipality obtains its funding. This may be in the form of funds obtained from borrowing (external loans) or transfers and subsidies to the municipality or municipal entity. Financing activities also include finance and operating leases entered by the municipality or municipal entity. Included are related transactions such as security and guarantees granted to a lender, accounts receivables pledged to a discount house, interest charges, finance charges on leases, foreign exchange gains and losses, hedging gains and losses and commitments for capital expenditure.

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(c) Investment may take the form of fixed interest, long-term or short-term debt, investments, or loans; secured or un-secured. Procedures must be implemented to control the purchase and sale of investments, the movement of script or recording of dematerialised securities and the resulting cash received and paid including income from investments, and

(d) Cash and bank refer to transactions occurring daily in all municipalities and municipal entities represented by a high volume of transactions in payments and receipts. Procedures must provide for expenses and reimbursements of “suspense accounts and floats” including regular surprise counts; cash handling procedures for unbanked receipts and money in transit; control over the opening of bank accounts and obtaining access to electronic banking signatures, regular reconciliations of bank accounts and timely follow-up of reconciling items by management.

### **Costing or management accounting**

Financial and management information internal to the municipality and municipal entity which provides the basis for sound and informed business decision making. In contrast to financial accounting, management accounting is primarily forward looking instead of historically focused and informs planning and budget processes by applying forecasting and prediction models. Determining the full cost of tariff services including primary and secondary costing to inform tariffs and pricing of services to achieve cost reflective tariffs, reporting thereon and measuring performance of services based on financial and non-financial information.

### **Financial accounting**

Accounting incorporates a host of policies, processes, and procedures to operationalise the effective and efficient recording and accounting of daily financial transactions as well as month and year end closure procedures and transactions. The MFMA provides a platform for the prescription of norms and standards such as the Standards of Generally Recognised Accounting Practices (GRAP) which have been designed and formulated based on unique South African circumstances (such as the VAT requirements which must be accommodated by the financial system) and leading international practices. Municipalities and municipal entities are therefore required to operationalise daily business processes and procedures that incorporate at the very least regular reconciliations, correct and accurate allocation and classification of transactions based on the SCOA classification framework. These processes and procedures must give rise to monthly performance represented by among others, the Statement of Financial Performance, Capital and Grant Performance, Statement of Financial Position, movement in net assets and cash flow in the Section 71 in-year reporting formats. It is important to keep in mind that outputs need to be reported and must always be measurable so that progressive achievements can benefit communities. Processes should be focussed at clean and accountable operations, and the outcome must be reported in terms of by all roll players.

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## Municipal budgeting and planning

Business processes are primarily derived from two sets of legislation, namely the Municipal Systems Act, 2000 (MSA) and the Municipal Finance Management Act, 2003 (MFMA). The MSA provides for the setting of the strategic objective whilst the MFMA and Municipal Budget and Reporting Regulations, 2009 (MBRR) provide for the output associated with this business process. This needs to incorporate key processes and procedures such as strategy formulation, integrated development planning (IDP), prioritisation, revenue generation, resource allocation, as well as long term forecasting and modelling of key financial dimensions such as the statement of financial position, cash flow forecasting, funding compliance, asset management and basic service delivery. In terms of Section 25 of the Municipal Systems Act, 2000 each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive, and strategic plan (the integrated development plan (IDP)) for the development of the municipality which must inform the municipal budget to be mutually credible and reliable and should include the following functionality:

- Corporate Governance is associated with ensuring greater economic and social responsibility within organisations to shareholders and stakeholders. Accountability, transparency, and openness in reporting and disclosing information are imperative to the practice of good governance and are non-negotiable. Generally, corporate governance refers to the processes by which municipalities are directed, controlled, and held to account as guided by the Constitution, the Municipal Financial Management Act, 2003 (MFMA) and Municipal Systems Act, 2000 (MSA). The MFMA and MSA complement each other and deal with internal control, risk management, internal audit, and external audit, and financial risk management, compliance to legislation, performance system and reporting mechanisms to enhance accountability and progress. Municipalities' policies and procedures need to address these areas to accomplish good corporate governance.

## 4. STAKEHOLDER ANALYSIS

The municipality established a mSCOA Steering Committee. The mSCOA Steering Committee of the municipality is led by the Chief Financial Officer and should be multi-disciplinary and include members of top management, including the following functions and skills: Finance; Budgeting; Financial and Performance Reporting; Risk management; Technical Engineering; Information technology; and Human resources.. A MSCOA champion is also appointed and a term of reference adopted.

The mSCOA Steering Committee meets once per quarter and whenever there is urgent need. And the committee will be bound to ensure that invite external members of the committee such as National Treasury, Western Cape Provincial Treasury and Financial System Provider delegates to its sitting. The committee will guide the project life span till the end of implementation and will be updated when a need arises and there are changes identified. It also included to direct relevant issues to be implemented to that department or directory when technical team from National Treasury would be having a mandate or instruction that require



implementation of by the municipality. The mSCOA Champion would still be responsible to ensure that the project roadmap is monitored and the committee meets as required to assess the progress made and urgent need to address the challenges that come across during implementation.

## 5. STEERING COMMITTEE MEETINGS

mSCOA Steering Committee shall meet once per quarter and should schedule formal meetings at least once per month if there are urgent issues that need to be resolved. The committee will compile an agenda and meeting minutes, to be maintained as part of the official project records for review purposes. Committee members should prepare for the meetings and contribute within their field of expertise, to ensure that full compliance is achieved. The committee to continue with monitoring the milestone on implementation of mSCOA project band also to ensure that recommendations are addressed by the municipality.

## 6. SCOA MILESTONE

Below Annex A is a listing of major milestones for the Overberg District Municipality mSCOA Project. This table is comprised only of major milestones; there may be smaller milestones which are key to success of implementation mSCOA Project. Any approved changes of these milestones or dates will be communicated to the project steering committee by the Project Manager. Annexure B provides a more comprehensive roadmap overview from a wholistic approach in which more departments are involved for the preparation and readiness of the new MSCOA regulations to be promulgated in 2027.

## 7. EXPECTED CHALLENGES ON IMPLEMENTATION OF mSCOA

### 7.1 Uncertainty

For mSCOA to be successfully implemented all financial systems need to be integrated, i.e. financial system for producing financial reports together with Central Supplier Database, South African Revenue Services, CIPC etc. this will assist to ensure that the municipality is mSCOA compliant in accounting and budgeting. From the onset, a major accounting obstacle to mSCOA implementation and integration was uncertainty. There may be a lot of issues regarding mSCOA segments and processes that would require enhancements to make the accounting and budgeting compliance effective and efficient. That in turn will also enforce version to version to improve the charter reporting and MFMA. A major result of the above uncertainty has been a lack of clarity among stakeholders, especially ERP-system providers, on how to implement mSCOA.

### 7.2 Competition between Vendors

A second challenge that could be observed is competition among vendors of the ERP system being reluctance to cooperate freely without push. An unfortunate

process of this could be having vendors that do not want to contribute openly on the challenges that might be encountered by others during the implementation of the ERP system.

### 7.3 Change Management

A final challenge would be the municipal senior managers as the decision makers becoming reluctant to involvement in the operation of mSCOA implementation of some modules with high authority decision that result to openness and transparency of the municipal accounting, budgeting and budgeting systems. Management resistance or delay on taking decisive action to support the mSCOA project implementation which results to mSCOA Steering Committee being unproductive.

## 8. CONCLUSION

The municipality should ensure that listing of all challenges experienced during the implementation process is recorded and addressed. Furthermore, a schedule of all activities still requiring intervention be captured to be followed through all relevant stakeholders involved i.e., correcting of wrong segments and process, and data strings failure to populate or transact from the correct account. The municipality should ensure that new versions of mSCOA charter is implemented whenever it's introduced and the mSCOA steering committee to ensure that the municipality is fully compliant with municipal regulations regarding accounting and budgeting.

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30 MAR 2026

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A handwritten signature in black ink, appearing to be a stylized 'g' or similar character.

30 MAR 2026

Annexure A

Action plan for outstanding milestones not yet achieved.

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MILESTONE	DESCRIPTION	RESPONSIBILITY	TARGET DATE	PROGRESS	CHALLENGES
Change Management	mSCOA educational awareness and buy-in throughout Municipality including the varying stakeholders	Accounting Officer	Ongoing	Ongoing	Employees' resistance to change from the old way of doing things and additional functions brought about by mSCOA
SCM Module implementation (including inventory and stores)	Full SCM module implementation	SCM Manager	After promulgated (2027)	Ongoing	Prohibitive costs on the implementation of system to implement the SCM module fully
Salary Module Implementation	Implementation of Salary module and integration of Payday system as per mSCOA requirements	Manager Payroll	After promulgated (2027)	Ongoing	Payday interface to SAMRAS System
Integration of other programmes -- third party Performance Management	Implementation of all third parties as per mSCOA requirements and GO-live	Manager Performance and Risk	After promulgated (2027)	Ongoing	Merging of third-party integration, not possible currently
Asset Module Implementation	Implementation and integration of the Assets Module as per mSCOA requirements and GO-live	Manager SCM and Assets	After promulgated (2027)	Ongoing	Currently data cleansing and preparation to be imported to new system from Excell files currently utilised
Section 71 reporting	Issuing and verification of reporting in compliance with legislation as per MFMA and mSCOA compliant, submission of data strings and C-schedule	Senior Manager Finance	30 June 2026	In progress	Introduction of mSCOA charter and new version compromise the quality of work done for the current year
Cash flow mapping	Populating of cash flow tables to the mSCOA data strings in the segments	SAMRAS/SOLVEM Senior Manager Finance	30 June 2026	In progress	SCOA segment not correctly populating cash flow information
Budget as per mSCOA (Adjustment/ B- schedule) & A- Schedule)	Budgeting process based on mSCOA segments and breakdowns to be obtained from all role players	SAMRAS/SOLVEM Senior Manager Finance	30 June 2027	In progress	Introduction of mSCOA charter and new version compromise the quality of work done for the current year.
Budget control	Link to mSCOA funding source	Senior Manager Finance	30 June 2026	In progress	Funding source corrections and alignment
Live mSCOA Monitoring and Evaluation	Constant monitoring, evaluating, clean-up and	Western Cape Provincial Treasury	Ongoing	Work-in- progress	Ledger integration not populating correctly.

Year-end closure	system enhancements on an ongoing basis, in alignment with National Treasury's mSCOA requirements.	SAMRAS/SOLVEM	30 June 2026	Work-in-progress	Dependency on service provider for activating new financial year
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Annexure B

As per functioning areas

## OVERBERG DISTRICT MUNICIPALITY MSCOA ROADMAP

A	ICT Architecture	MSCOA roadmap 2025-26			MSCOA roadmap 2026-27		
		Responsible department	Status	Implementation date	Responsible department	Status	Implementation date
1	Hardware	ICT		Jun 26			
	Perform preliminary assessment and requirements for mSCOA system as per current regulatory requirements for system - Demonstration						
	Internal assessment of current vs required hardware - future planning in capital budget	ICT					
2	Servers	ICT					
	Obtain server requirements from current service provider for new MSCOA system functionality						
	Cloud vs Server assessment (Safety, security and cost analysis / requirements)	ICT					
3	Software						
	Depending on the system selected by the municipality						
3.1	System Assessment - Functionality	Finance/ICT	Completed	Q4 2025			
	Conduct a formal review of the municipality's current financial system to determine its compliance with the latest mSCOA version.						
	System Provider and Pilot engagement	Finance/ICT	Completed	Jun 25			
	Vendor site visit – George municipality (High level overview of functionality of new system)						
	Support Contract	Municipal Manager	Completed	Jul 25			
	New 25/26 Vendor support contract signed						
	Meetings/Sessions	CFO/mSCOA Champion	Completed	WIP			
	Internal finance mSCOA engagement to track process, identified risk and mitigation						
3.2	Due diligence RT 25 - Testing current system against MSCOA requirements BP's	CFO/Fin managers	Completed	Aug 25			
	Due diligence						
	Finance functions as per Regulation 5 assessment						
	Other municipal functions (BP's)	Departmental Managers	Completed	Aug 25			
	Due diligence	CFO/mSCOA Champion	Completed	Sept/Nov 2025			
	Final Assessment completed and submitted to Service Provider to review - ICT Due diligence assessment confirmation						
	Meetings/Sessions - outcome on need for new system (Municipal)	CFO/mSCOA Champion	Completed	Oct 25			
	Internal finance mSCOA engagement and service provider on requirement for a new system						

	and Service provider findings)												
3.3	Vendor Management	Obtain formal confirmation from current vendor regarding mSCOA version compatibility and future compliance roadmap Engage on proposed upgraded /new system functionality (A/BI and BP"S)	CFO	In progress	Q1 2026								
			Finance/ICT	Completed	Dec 25								
		Pricing estimations on various options for budgeting purposes	Finance/ICT										
4	Licences required to run the ERP management systems						ICT			Outcome dependent		2027	

		MSCOA roadmap 2025-26			MSCOA roadmap 2026-27			
	Governance and Institutional Requirements		Responsible department	Status	Implementation date	Responsible department	Status	Implementation date
1	A functioning mSCOA steering committee or equivalent structure to monitor and report on progress against the road map. This committee consist of the heads of all business units and meet regularly (at least quarterly).	MSCOA committee established in 2016, however revived in 2023/2024. TOR also approved	mSCOA Champion	Completed				
		Strengthening the coordination of MSCOA committee	CFO/MM	On-going	Apr 26			
		Align ODM roadmap to NT and PT requirements and plan	mSCOA Champion	Completed	Mar 26			
1.1	MSCOA regulations	Committee familiarise themselves with regulatory requirements Status quo until revised	Management					
1.2	Position papers	Members familiarise themselves on 4 papers	Finance					
1.3	Business processes documentation	Each specialist familiarises themselves with MSCOA requirements for each field responsible for	Management					
2	Regular reporting on mSCOA	Reporting performed in Sec 52 report quarterly, MSCOA committee	mSCOA Champion	Compliant	Ongoing			



	<b>implementation to Management and Executive Committees and Council.</b>																		
	Engagement and reporting to stakeholders	PT- Status update on process followed. Assistance and overview of assessment outcome	mSCOA Champion	Completed	Oct 25														
		PT/NT- Assistance request 1st engagement Jan 2026 Z Khan (Support unit)	CFO/Finance	WIP initiated	Jan 26														
		NT discussions and communication - Una Rautenbach NT TIMELINE and advisory	mSCOA Champion	Completed	Dec 25														
		Outcome assessment on MSCOA compliance report for Council and MM			Apr 26														
3	<b>Appointment of a mSCOA champion</b> to drive the mSCOA implementation at the municipality.	Appointment made : W Crafford (Senior Manager Finance)	CFO/Finance	Completed	2024														
4	<b>Appointment of a suitably qualified System Administrator.</b>	Appointment made : R Gertze (BTO Official) - System support	CFO/Finance	Completed	2024														
5	<b>The development and adoption of the required IT policies and securities.</b>	Current status quo as audited by AG	ICT																
6	<b>Establishment of data back-up and disaster recovery procedures.</b>	Review current SOP and mitigation tools used, assess sufficiency to new requirements MSCOA guidelines	ICT																

C System Functionality		MSCOA roadmap 2025-26			MSCOA roadmap 2026-27		
		Responsible department	Status	Implementation date	Responsible department	Status	Implementation date
1	The ERP modules and 3rd party systems used. These must give effect to the minimum business processes and system requirements specified in MIFMA						
	Investigate the ability of the selected system on the ability to integrate to current 3rd party programmes identified (e.g. payday, collab, GIS, Ignite)						

	Circular No. 80. Municipalities must budget adequately to procure the required functionality and upgrade to the mSCOA enabling version of the ERP.								
2	Seamless and full integration of data in the ERP system, including 3rd party systems used by the municipality and its entities. The ERP system vendor sets the requirements for the integration.								
2.1	System demonstration – Test the market	Invite <b>current vendor</b> to perform system demonstration as per response letter received / ICT due diligence exercise outcome	CFO/mSCOA champion	Outstanding	Q2 2026				
2.2	System upgrade/procurement	Invite <b>competitive vendors (at least 2)</b> to perform system demonstration as per response letter received / ICT due diligence exercise outcome (Detail system functionality finance)	CFO/mSCOA champion	Outstanding	Q2 2026				
		MSCOA regulation to be published compliance to BP's and vendors							
		Letter to PT/NT on outcome of compliant service providers to proceed with new system acquisition							
		Affordability assessment, costing, funding, grant availability							
2.3	SCM Procurement process - SYSTEM	Acquire or upgrade of system after regulatory guidance is provided							2027
2.4	DATA readiness	Cleansing of data management and alignment to MSCOA - Service provider and ODM	System Admin		46113				
2.5	Testing - Configure system	Configuration and testing, posting, and chart segments collectively - accurate reporting					Management		2027
2.6	System live running	Parallel running and monitoring					CFO/Finance		2027

D		MSCOA roadmap 2025-26	MSCOA roadmap 2026-27
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	User Proficiency and Training		Responsible department	Status	Implementation date	Responsible department	Status	Implementation date
1	The relevant municipal officials and interns must be sufficiently capacitated on the mSCOA chart, basic accounting, balance sheet budgeting and movement accounting and all system modules and functionalities to use the ERP systems solution. Consideration should be given to training, the establishment of User Support Groups and the availability of user manuals on the system.							
2	Change management initiatives to ensure that mSCOA is institutionalised as an organisational reform and not only a financial reform.	Rollout of training sessions for all end-users and affected stakeholders on new chart segments and system usage.	HR/Fin	On-going		HR/Fin	On-going	
2.1	Align MSCOA budget mapping to ODM	Credible reporting to ensure funded and correct figures allocated - Service provider March visit on-site to assist		On-going	Jun 26			
2.2	Audit and monitoring	Conduct internal audit and external review of system implementation, stability, and reporting. - Alignment and accuracy				I/Audit		2027
2.3	Working groups	ODM to partake in working groups established for all the core areas	Finance	On-going				

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# Budget Schedules

## 2026/2027 – 2028/2029

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DC3 Overberg - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Applied Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28
<b>R thousand</b>										
<b>REVENUE ITEMS:</b>										
<b>Exchange revenue</b>										
<b>Service charges - Electricity</b>	6									
Appliance Maintenance										
Availability Charges										
Connection/Reconnection										
Electricity Distribution Revenue for Services										
Electricity Sales										
Joint Pole Usage										
Meter Compliance Testing										
Meter Reading Fees										
Noise Revenues										
Temporary Service Plant										
<b>Total Service charges - Electricity</b>										
Less Revenue Foregone (in excess of 50 kWh per indigent household per month)										
Less Cost of Free Basis Services (50 kWh per indigent household per month)										
<b>Net Service charges - Electricity</b>										
<b>Service charges - Water</b>	8									
Agricultural and Rural Water Service										
Availability Charges										
Connection/Disconnection										
Industrial Water										
Meter Reading Fees										
Sale		24				25	25	25		
Urban Higher Level Service										
<b>Total Service charges - Water</b>		24				25	25	25		
Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)										
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)										
<b>Net Service charges - Water</b>		24				25	25	25		
<b>Service charges - Waste Water Management</b>	6									
Agricultural and Rural										
Availability Charges										
Connection/Reconnection										
Higher Level Service										
Industrial Effluent										
Industrial Waste Water										
Pump/Removal of Waste Water		214	136	120	150	150	150	165	177	189
Sanitation Charges		490	629	678	750	750	750	825	883	945
Treatment of Effluent										
<b>Total Service charges - Waste Water Management</b>		704	765	798	150	900	900	990	1 058	1 133
Less Revenue Foregone (in excess of free sanitation service to indigent households)										
Less Cost of Free Basis Services (free sanitation service to indigent households)										
<b>Net Service charges - Waste Water Management</b>		704	765	798	150	900	900	990	1 058	1 133
<b>Service charges - Waste Management</b>	6									
Availability Charges										
Carrier Bags										
Disposal Facilities		10 355	14 376	17 333	17 932	16 132	16 132	16 535	20 909	22 177
Refuse Bags										
Refuse Removal										
Skip		530	581	606	689	689	689	615	652	676
Waste Bins										
<b>Total refuse removal revenue</b>		10 884	14 959	17 939	18 621	16 821	16 821	16 821	20 150	21 561
Less Revenue Foregone (in excess of one removal a week to indigent households)										
Less Cost of Free Basis Services (removed once a week to indigent households)										
<b>Net Service charges - Waste Management</b>		10 884	14 959	17 939	18 621	16 821	16 821	16 821	20 150	21 561
<b>Sales of Goods and Rendering of Services</b>										
Academic Services										
Advertisements										
Amendment Fees										
Application Fees for Land Usage										
Building Plan Approval										
Building Plan Clause Levy										
Buyers Card										
Camping Fees		3 268	4 227	4 111	4 432	4 952	4 952	4 952	5 500	6 236
Cemetery and Burial										
Cleaning and Removal		0			111	111	111	111	119	123
Clearance Certificates										
Computer Services										
Day Care Fees										
Demolition Application Fees										
Development Charges										
Domestic Services										
Drainage Fees										
Enrolment Fees										
Entrance Fees		8	16	11	11	11	11	12	12	13
Escort Fees										
Exempted Parking										
Fire Services		3 544	4 998	6 871	6 757	7 107	7 107	7 107	11 000	14 200
Health Services										
Housing (Boarding Services)										
Immunisation Fees										
Laboratory Services										
Legal Fees		253	685	53	53	53	53	53	53	53
Library Fees										
Management Fees		116 243	123 763	137 496	131 694	131 694	131 694	133 970	108 867	
Meal and Refreshment										
Membership Fees			73							
Objections and Appeals										
Occupation Certificates										
Parking Fees		4	1	1	2	2	2	2	2	2
Photo copies, Faxes and Telephone charges										
Removal of Restrictions										
Sale of Carbon Credits										
Sale of Goods		746	828	609	996	996	996	1 123	1 201	1 285
Scrap, Waste & Other Goods		39		76	72	72	72	72	76	79
Shared Services										
Squatter Re-allocation										
Stone and Gravel										
Street/Street Markets (Informal Trades)										
Town Planning and Services										
Traffic Control										
Transport Fees										
Valuation Services										
Water Meter Protection										
Weightbridge Fees										
<b>Total Sales of Goods and Rendering of Services</b>		126 105	134 592	149 427	144 147	144 997	144 997	157 842	130 358	24 794



Age: 6164111; 1220AA1113; 147

<b>District Municipalities</b>										
Eastern Cape	-	-	-	-	-	-	-	-	-	-
Free State	-	-	-	-	-	-	-	-	-	-
Gauteng	-	-	-	-	-	-	-	-	-	-
Kwazulu/Natal	-	-	-	-	-	-	-	-	-	-
Limpopo	-	-	-	-	-	-	-	-	-	-
Mpumalanga	-	-	-	-	-	-	-	-	-	-
Northern Cape	-	-	-	-	-	-	-	-	-	-
Northwest	-	-	-	-	-	-	-	-	-	-
Western Cape	-	-	-	-	-	-	-	-	-	-
<b>Total District Municipalities</b>	-	-	-	-	-	-	-	-	-	-
<b>National</b>										
AARTO	-	-	-	-	-	-	-	-	-	-
Department of Environmental Affairs	-	-	-	-	-	-	-	-	-	-
<b>Total National</b>	-	-	-	-	-	-	-	-	-	-
<b>Provincial</b>										
Eastern Cape	-	-	-	-	-	-	-	-	-	-
Free State	-	-	-	-	-	-	-	-	-	-
Gauteng	-	-	-	-	-	-	-	-	-	-
Kwazulu/Natal	-	-	-	-	-	-	-	-	-	-
Limpopo	-	-	-	-	-	-	-	-	-	-
Mpumalanga	-	-	-	-	-	-	-	-	-	-
Northern Cape	-	-	-	-	-	-	-	-	-	-
Northwest	-	-	-	-	-	-	-	-	-	-
Western Cape	-	-	-	-	-	-	-	-	-	-
<b>Total Provincial</b>	-	-	-	-	-	-	-	-	-	-
<b>Total Agency Services</b>	-	-	-	-	-	-	-	-	-	-
<b>Interest - Deemed Interest</b>										
<b>Interest earned from Receivables</b>										
<b>Alliance/Related Parties/Associated Companies</b>										
Electricity	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Housing Land Sales	-	-	-	-	-	-	-	-	-	-
Housing Selling Schemes	-	-	-	-	-	-	-	-	-	-
Merchandising, Jobbing and Contracts	-	-	-	-	-	-	-	-	-	-
Property Rental Debts	-	-	-	-	-	-	-	-	-	-
SARS	-	-	-	-	-	-	-	-	-	-
Service Charges	-	222	212	318	319	319	319	351	375	401
Sporting and Other Bodies	-	-	-	-	-	-	-	-	-	-
Staff	-	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	1	1	1	1	1	1
Waste Water Management	-	-	-	-	1	1	1	1	1	1
Water	-	-	-	-	-	-	-	-	-	-
Shared Services	-	-	-	-	-	-	-	-	-	-
<b>Total Interest earned from Receivables</b>	-	222	212	318	322	322	322	354	378	404
<b>Interest earned from Current and Non Current Assets</b>										
Bank Accounts	-	-	-	-	-	-	-	-	-	-
Financial Assets	-	-	-	-	-	-	-	-	-	-
Short Term Investments and Call Accounts	5 504	8 163	8 052	9 202	9 202	9 202	9 202	9 500	9 500	9 500
<b>Total Interest earned from Current and Non Current Assets</b>	5 504	8 163	8 052	9 202	9 202	9 202	9 202	9 500	9 500	9 500
<b>Dividends</b>										
External Investment	-	-	-	-	-	-	-	-	-	-
Municipal Entities	-	-	-	-	-	-	-	-	-	-
<b>Total Dividends</b>	-	-	-	-	-	-	-	-	-	-
<b>Rent on Land</b>										
Land	-	-	-	-	-	-	-	-	-	-
Prospecting, Mining, Royalties	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-
<b>Total Rent on Land</b>	-	-	-	-	-	-	-	-	-	-
<b>Rental from Fixed Assets</b>										
<b>Market Related</b>										
Biological Assets	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-	-	-	-	-
Property Plant and Equipment	12 849	13 812	14 677	16 165	16 165	16 165	16 165	17 777	19 541	20 996
<b>Total Market Related</b>	12 849	13 812	14 677	16 165	16 165	16 165	16 165	17 777	19 541	20 996
<b>Non-market Related</b>										
Biological Assets	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-	-	-	-	-
Property Plant and Equipment	-	-	-	-	-	-	-	-	-	-
<b>Total Non-market Related</b>	-	-	-	-	-	-	-	-	-	-
<b>Total Rental from Fixed Assets</b>	12 849	13 812	14 677	16 165	16 165	16 165	16 165	17 777	19 541	20 996
<b>Licences or Permits</b>										
Angling/Fishing	-	-	-	-	-	-	-	-	-	-
Atmospheric Emissions	-	-	-	-	-	-	-	-	-	-
Boat	-	-	-	-	-	-	-	-	-	-
Dog	-	-	-	-	-	-	-	-	-	-
Fauna and Flora	-	-	-	-	-	-	-	-	-	-
Filming Fees	-	-	-	-	-	-	-	-	-	-
Game	-	-	-	-	-	-	-	-	-	-
Health Certificates	746	758	1 251	1 445	1 345	1 345	1 345	1 531	2 000	2 200
Hiking Trails	-	-	-	-	-	-	-	-	-	-
Hunting (Collecting/Sporing)	-	-	-	-	-	-	-	-	-	-
Market Fosters	-	-	-	-	-	-	-	-	-	-
Road and Transport	-	-	-	-	-	-	-	-	-	-
Threatened and Protected Species	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
<b>Total Licences or Permits</b>	746	758	1 251	1 445	1 345	1 345	1 345	1 531	2 000	2 200
<b>Special Rating Levies</b>										
Agricultural Properties	-	-	-	-	-	-	-	-	-	-
Business and Commercial Properties	-	-	-	-	-	-	-	-	-	-
Industrial Properties	-	-	-	-	-	-	-	-	-	-
Mining Properties	-	-	-	-	-	-	-	-	-	-
Public Benefit Organisations	-	-	-	-	-	-	-	-	-	-
Public Service Infrastructure Properties	-	-	-	-	-	-	-	-	-	-
Public Service Purposes Properties	-	-	-	-	-	-	-	-	-	-
Residential Properties	-	-	-	-	-	-	-	-	-	-
Residential Sectional Title Garages	-	-	-	-	-	-	-	-	-	-
Sport Clubs and Fields	-	-	-	-	-	-	-	-	-	-
Vacant Land	-	-	-	-	-	-	-	-	-	-
<b>Total Special Rating Levies</b>	-	-	-	-	-	-	-	-	-	-
<b>Construction Contract Revenue</b>										
Development Charges	-	-	-	-	-	-	-	-	-	-
<b>Operational Revenue</b>										
Administrative Handling Fees	166	164	152	202	202	202	202	403	418	434
Arbor City Awards Competition	-	-	-	-	-	-	-	-	-	-
Bad Debts Recovered	-	-	-	-	-	-	-	-	-	-
Borde Ke Boto Cleaning and Greening Award	-	-	-	-	-	-	-	-	-	-
Breakages and Losses Recovered	1	1	1	3	3	3	3	3	3	3
Bursary Repayment	-	-	-	-	-	-	-	-	-	-
Collection Charges	-	-	-	-	-	-	-	-	-	-
Commission	-	-	-	-	-	-	-	-	-	-
Discounts and Early Settlements	144	13	-	-	-	-	-	-	-	-
Incidental Cash Surpluses	2	67	11	5	5	5	5	5	5	5
Inspection Fees	302	320	415	444	444	444	444	458	1 100	1 220
Insurance Refund	7	615	260	-	-	-	-	-	-	-
Merchandising, Jobbing and Contracts	-	1 451	-	-	-	-	-	-	-	-
Recovery Maintenance	178	171	179	212	275	275	275	303	334	346
Registration Fees	-	-	-	-	-	-	-	-	-	-
Request for Information	-	-	-	-	-	-	-	-	-	-
Sale of Property	-	-	-	-	-	-	-	-	-	-
Skills Development Levy Refund	511	650	426	456	525	525	525	527	556	587
Staff and Councilors Recoveries	2	46	20	32	225	225	225	33	35	36
<b>Total Operational Revenue</b>	1 330	3 488	1 485	1 356	1 678	1 678	1 678	1 761	2 441	2 632

<b>Non-Exchange revenue</b>										
<b>Property Rates</b>										
Agricultural Properties	-	-	-	-	-	-	-	-	-	-
Business and Commercial Properties	-	-	-	-	-	-	-	-	-	-
Industrial Properties	-	-	-	-	-	-	-	-	-	-
Mining Properties	-	-	-	-	-	-	-	-	-	-
Public Benefit Organisations	-	-	-	-	-	-	-	-	-	-
Public Service Infrastructure Properties	-	-	-	-	-	-	-	-	-	-
Public Service Purpose Properties	-	-	-	-	-	-	-	-	-	-
Residential Properties	-	-	-	-	-	-	-	-	-	-
Residential Sectional Title Garages	-	-	-	-	-	-	-	-	-	-
Sport Clubs and Fields	-	-	-	-	-	-	-	-	-	-
Vacant Land	-	-	-	-	-	-	-	-	-	-
<b>Total Property Rates</b>	-	-	-	-	-	-	-	-	-	-
Less Revenue Forgone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	-	-	-	-	-	-	-	-	-	-
<b>Net Property Rates</b>	-	-	-	-	-	-	-	-	-	-
<b>Surcharges and Taxes</b>										
Subcharges	-	-	-	-	-	-	-	-	-	-
Taxes	-	-	-	-	-	-	-	-	-	-
<b>Total Surcharges and Taxes</b>	-	-	-	-	-	-	-	-	-	-
<b>Fines, Penalties and Forfeits</b>										
Fines	-	-	-	-	-	-	-	-	-	-
Forfeits	-	59	174	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-	-	-
<b>Total Fines, Penalties and Forfeits</b>	-	59	174	-	-	-	-	-	-	-
<b>Licences or Permits</b>										
Angling/Fishing	-	-	-	-	-	-	-	-	-	-
Atmospheric Emission	-	-	-	-	-	-	-	-	-	-
Boat	-	-	-	-	-	-	-	-	-	-
Dog	-	-	-	-	-	-	-	-	-	-
Fauna and Flora	-	-	-	-	-	-	-	-	-	-
Filming Fees	-	-	-	-	-	-	-	-	-	-
Game	-	-	-	-	-	-	-	-	-	-
Health Certificates	-	-	-	-	-	-	-	-	-	-
Hiking Trails	-	-	-	-	-	-	-	-	-	-
Roading (Collecting/Spring)	-	-	-	-	-	-	-	-	-	-
Market/Fairs	-	-	-	-	-	-	-	-	-	-
Road and Transport	-	-	-	-	-	-	-	-	-	-
Threatened and Protected Species	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
<b>Total Licences or Permits</b>	-	-	-	-	-	-	-	-	-	-
<b>Transfer and subsidies - Operational</b>										
<b>Allocations In-kind</b>										
Departmental Agencies and Accounts	-	-	-	-	-	-	-	-	-	-
District Municipalities	-	-	-	-	-	-	-	-	-	-
Foreign Government and International Organisations	-	-	-	-	-	-	-	-	-	-
Higher Educational Institutions	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-
National Government	-	-	-	-	-	-	-	-	-	-
Non-Profit Institutions	-	-	-	-	-	-	-	-	-	-
Parent Municipality	-	-	-	-	-	-	-	-	-	-
Private Enterprises	-	-	-	-	-	-	-	-	-	-
Provincial Government	-	-	-	-	-	-	-	-	-	-
Public Corporations	-	-	-	-	-	-	-	-	-	-
<b>Total Allocations In-kind</b>	-	-	-	-	-	-	-	-	-	-
<b>Monetary Allocations</b>										
Departmental Agencies and Accounts	-	-	-	-	-	-	-	300	300	300
District Municipalities	-	-	-	-	-	-	-	-	-	-
Foreign Government and International Organisations	-	-	-	-	-	-	-	-	-	-
Higher Educational Institutions	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-
National Governments	86 431	87 630	88 509	93 966	93 966	93 966	93 966	95 635	96 270	101 005
National Revenue Fund	-	-	-	-	-	-	-	-	-	-
Non-Profit Institutions	-	-	-	-	-	-	-	-	-	-
Parent Municipality	-	-	-	-	-	-	-	-	-	-
Private Enterprises	-	-	-	-	-	-	-	-	-	-
Provincial Government	3 293	2 846	2 629	4 632	6 633	6 633	6 633	1 289	1 361	1 456
Public Corporations	-	-	-	-	-	-	-	-	-	-
<b>Total Monetary Allocations</b>	89 723	90 476	91 538	98 798	100 599	100 599	100 599	97 224	97 631	102 778
<b>Total Transfer and subsidies - Operational</b>	89 723	90 476	91 538	98 798	100 599	100 599	100 599	97 224	97 631	102 778
<b>Interest Receivables</b>										
Property Rates	-	-	-	-	-	-	-	-	-	-
Service Charges	-	-	-	-	-	-	-	-	-	-
Electricity	-	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-	-
Waste Water Management	-	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	-	-	-
<b>Total Service Charges</b>	-	-	-	-	-	-	-	-	-	-
<b>Total Interest Receivables</b>	-	-	-	-	-	-	-	-	-	-
<b>Fuel Levy (RSC Replacement Grant)</b>										
<b>Operational Revenue - Service Charges</b>										
Electricity - Availability Charges	-	-	-	-	-	-	-	-	-	-
Waste Management - Availability Charges	691	2	-	-	-	-	-	-	-	-
Waste Water Management - Availability Charges	-	-	-	-	-	-	-	-	-	-
Water - Availability Charges	-	-	-	-	-	-	-	-	-	-
<b>Total Operational Revenue - Service Charges</b>	691	2	-	-	-	-	-	-	-	-
<b>Gains on Disposal of Fixed and Intangible Assets</b>										
Biological Assets	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Investment Property	-	-	2 660	2 660	2 660	2 660	1 100	1 700	8 400	-
Living resources	-	-	-	-	-	-	-	-	-	-
Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-
<b>Total Disposal of Fixed and Intangible Assets</b>	-	-	2 660	2 660	2 660	2 660	1 100	1 700	8 400	-
<b>Other Gains</b>										
Debt waived	-	-	-	-	-	-	-	-	-	-
Discontinued Operations and Disposals of Non-current Assets	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Fair value assessment - Water stock increase to net-realizable Value	-	-	-	-	-	-	-	-	-	-
<b>Total Inventory</b>	-	-	-	-	-	-	-	-	-	-
Fair Value Adjustment	-	-	-	-	-	-	-	-	-	-
Actuarial Assessments	-	-	-	-	-	-	-	-	-	-
Leave Gratuity	-	-	-	-	-	-	-	-	-	-
Long Service Awards	228	275	264	-	-	-	-	-	-	-
Medical	6 926	2 986	-	-	-	-	-	-	-	-
Pension Funds	-	-	-	-	-	-	-	-	-	-
<b>Total Actuarial Assessments</b>	7 154	3 261	264	-	-	-	-	-	-	-
Biological Assets	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Interest rate Swaps	-	-	-	-	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-	-
<b>Total Fair Value Adjustment</b>	7 154	3 261	264	-	-	-	-	-	-	-
Foreign Exchange	-	-	-	-	-	-	-	-	-	-
Contributions to Provisions for landfill sites	-	-	-	-	-	-	-	-	-	-
<b>Total Other Gains</b>	7 154	3 261	264	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	256 091	270 612	285 617	292 861	296 715	296 715	296 715	308 229	296 469	355 595

**EXPENDITURE ITEMS:**

**Employee related costs**

**Salaries and Allowances**

Basic Salary	81 913	90 316	99 348	106 249	105 903	105 903	105 903	117 194	111 363	74 346
Bonuses	6 737	7 555	8 532	9 617	9 617	9 617	9 617	10 080	9 564	6 442
Allowance	-	-	-	-	-	-	-	-	-	-
Accommodation, Travel and Incidentals	-	-	-	-	-	-	-	-	-	-
Cellular and Telephone	473	499	507	560	560	560	560	622	600	510
Housing Benefits	265	286	305	330	330	330	330	380	452	375
Non-pensionable	-	-	-	-	-	-	-	-	-	-
Travel or Motor Vehicle	4 655	4 849	5 166	6 509	6 259	6 259	6 259	5 941	5 961	5 264
Voluntary Work	-	-	-	-	-	-	-	-	-	-
<b>Total Allowance</b>	<b>5 392</b>	<b>5 634</b>	<b>5 978</b>	<b>7 460</b>	<b>7 210</b>	<b>7 210</b>	<b>7 210</b>	<b>7 016</b>	<b>7 030</b>	<b>6 148</b>
<b>Service Related Benefits</b>										
Acting	684	372	828	626	626	626	626	290	260	140
Bonus	-	-	-	-	-	-	-	-	-	-
Danger Allowance	-	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-	-
Fire Brigade	-	-	-	-	-	-	-	-	-	-
In-kind Benefits	-	-	-	-	-	-	-	-	-	-
Leave Pay	2 010	1 678	2 751	220	220	220	220	250	200	-
Liquor/Duty Squads	-	-	-	-	-	-	-	-	-	-
Long Service Award	-	-	-	-	-	-	-	-	-	-
Overtime	2 715	2 355	2 719	1 980	1 735	1 735	1 735	2 050	2 103	1 985
Scarcity	-	-	-	-	-	-	-	-	-	-
Stonby Allowance	3 896	4 352	4 628	5 609	5 609	5 609	5 609	5 886	6 269	6 676
Tools Allowance	-	-	-	-	-	-	-	-	-	-
Uniform-Special Protective Clothing	-	-	-	-	-	-	-	-	-	-
Leave gratuity	-	-	-	-	-	-	-	-	-	-
Long Term Service Award	545	578	609	601	601	601	601	601	568	387
<b>Total Service Related Benefits</b>	<b>9 851</b>	<b>8 336</b>	<b>11 535</b>	<b>9 006</b>	<b>8 791</b>	<b>8 791</b>	<b>8 791</b>	<b>9 077</b>	<b>9 400</b>	<b>9 188</b>
<b>Total Salaries and Allowances</b>	<b>103 893</b>	<b>112 841</b>	<b>125 394</b>	<b>132 351</b>	<b>131 520</b>	<b>131 520</b>	<b>131 520</b>	<b>143 368</b>	<b>137 377</b>	<b>86 135</b>
<b>Social Contributions</b>										
Bargaining Council	46	51	55	65	65	65	65	66	60	32
Group Life Insurance	4 321	4 755	5 281	6 148	6 148	6 148	6 148	6 409	6 019	3 833
Medical	4 939	5 523	6 154	7 703	7 703	7 703	7 703	7 636	7 612	6 443
Pension	14 209	15 613	17 408	19 937	19 937	19 937	19 937	20 647	19 513	12 870
Unemployment Insurance	704	742	785	912	912	912	912	932	826	402
<b>Total Social Contributions</b>	<b>24 218</b>	<b>26 684</b>	<b>29 683</b>	<b>34 765</b>	<b>34 765</b>	<b>34 765</b>	<b>34 765</b>	<b>35 690</b>	<b>34 030</b>	<b>23 590</b>
<b>Post-retirement Benefit</b>										
Medical	6 304	6 033	5 761	5 967	5 967	5 967	5 967	5 982	5 659	3 866
Other Benefits	-	-	-	-	-	-	-	-	-	-
Pension	-	-	-	-	-	-	-	-	-	-
<b>Total Post-retirement Benefit</b>	<b>6 304</b>	<b>6 033</b>	<b>5 761</b>	<b>5 967</b>	<b>5 967</b>	<b>5 967</b>	<b>5 967</b>	<b>5 982</b>	<b>5 659</b>	<b>3 866</b>
<b>Sub-Total</b>	<b>134 415</b>	<b>145 558</b>	<b>160 839</b>	<b>173 064</b>	<b>172 253</b>	<b>172 253</b>	<b>172 253</b>	<b>185 039</b>	<b>177 068</b>	<b>123 572</b>
Less: Employees costs capitalised to PPE	-	-	-	-	-	-	-	-	-	-
<b>Total Employee Related Cost</b>	<b>134 415</b>	<b>145 558</b>	<b>160 839</b>	<b>173 064</b>	<b>172 253</b>	<b>172 253</b>	<b>172 253</b>	<b>185 039</b>	<b>177 068</b>	<b>123 572</b>
<b>Remuneration of Councillors</b>										
<b>Allowances and Service Related Benefits</b>										
Basic Salary	4 302	4 773	4 823	4 993	4 993	4 993	4 993	5 208	5 546	5 806
Cell phone Allowance	444	493	461	470	470	470	470	470	501	533
Housing Allowance	-	-	-	-	-	-	-	-	-	-
In-kind Benefits	-	-	-	-	-	-	-	-	-	-
Market Related Non-pensionable Allowance	-	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	1 310	1 434	1 510	1 576	1 576	1 576	1 576	1 644	1 750	1 864
Office-bearer Allowance	-	-	-	-	-	-	-	-	-	-
Out of pocket Expenses	-	-	-	-	-	-	-	-	-	-
Travelling Allowance	-	-	-	-	-	-	-	-	-	-
Use of Personal Facilities	-	-	-	-	-	-	-	-	-	-
<b>Total Allowances and Service Related Benefits</b>	<b>6 055</b>	<b>6 700</b>	<b>6 799</b>	<b>7 039</b>	<b>7 039</b>	<b>7 039</b>	<b>7 039</b>	<b>7 321</b>	<b>7 797</b>	<b>8 304</b>
<b>Social Contributions</b>										
Medical Aid Benefits	-	-	-	-	-	-	-	-	-	-
Pension Fund Contributions	140	63	84	97	97	97	97	101	108	115
<b>Total Social Contributions</b>	<b>140</b>	<b>63</b>	<b>84</b>	<b>97</b>	<b>97</b>	<b>97</b>	<b>97</b>	<b>101</b>	<b>108</b>	<b>115</b>
<b>Total Remuneration of Councillors</b>	<b>6 195</b>	<b>6 763</b>	<b>6 883</b>	<b>7 136</b>	<b>7 136</b>	<b>7 136</b>	<b>7 136</b>	<b>7 423</b>	<b>7 905</b>	<b>8 419</b>
<b>Bulk Purchases - Electricity</b>										
ESKOM	-	-	-	-	-	-	-	-	-	-
Independent Power Producers	-	-	-	-	-	-	-	-	-	-
Green Electricity	-	-	-	-	-	-	-	-	-	-
Green Charges	-	-	-	-	-	-	-	-	-	-
Green Rights and Certificates	-	-	-	-	-	-	-	-	-	-
Total Green Electricity	-	-	-	-	-	-	-	-	-	-
Renewable, Cogen, etc	-	-	-	-	-	-	-	-	-	-
Total Independent Power Producers	-	-	-	-	-	-	-	-	-	-
Self Generation	-	-	-	-	-	-	-	-	-	-
Capitalisation Electricity Costs (Credit Account)	-	-	-	-	-	-	-	-	-	-
<b>Total Bulk Purchases - Electricity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Inventory Consumed</b>										
Agricultural	-	-	-	-	-	-	-	-	-	-
Consumables	25 380	24 027	24 136	23 827	24 890	24 890	24 890	25 437	18 129	3 606
Finished Goods	-	-	-	-	-	-	-	-	-	-
Housing Stock	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Materials and Supplies	22 499	24 020	25 118	20 295	20 169	20 169	20 169	20 998	16 948	794
Water	-	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>47 879</b>	<b>48 046</b>	<b>50 254</b>	<b>44 121</b>	<b>45 059</b>	<b>45 059</b>	<b>45 059</b>	<b>46 435</b>	<b>35 077</b>	<b>4 400</b>
Less: Capitalisation of inventory consumed	-	-	-	-	-	-	-	-	-	-
<b>Total Inventory Consumed</b>	<b>47 879</b>	<b>48 046</b>	<b>50 254</b>	<b>44 121</b>	<b>45 059</b>	<b>45 059</b>	<b>45 059</b>	<b>46 435</b>	<b>35 077</b>	<b>4 400</b>
<b>Debt Impairment</b>										
<b>Trade and Other Receivables from Exchange Transactions</b>										
Electricity	-	-	-	-	-	-	-	-	-	-
Shared Services	-	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-	-
Waste Water Management	-	-	-	-	-	-	-	-	-	-
Water	76	853	679	100	100	100	100	100	100	100
Non Specific Accounts	-	-	-	-	-	-	-	-	-	-
<b>Total Trade and Other Receivables from Exchange Transactions</b>	<b>76</b>	<b>853</b>	<b>679</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Other Receivables from Non-exchange Revenue</b>										
<b>Property Rates</b>										
Property Rates General	-	-	-	-	-	-	-	-	-	-
Agricultural Properties	-	-	-	-	-	-	-	-	-	-
Business and Commercial Properties	-	-	-	-	-	-	-	-	-	-
Industrial Properties	-	-	-	-	-	-	-	-	-	-
Mining Properties	-	-	-	-	-	-	-	-	-	-
Public Benefit Organisations	-	-	-	-	-	-	-	-	-	-
Public Service Infrastructure Properties	-	-	-	-	-	-	-	-	-	-
Public Service Purposes Properties	-	-	-	-	-	-	-	-	-	-
Residential Properties	-	-	-	-	-	-	-	-	-	-
Residential Sectional Title Garages	-	-	-	-	-	-	-	-	-	-
Sport Clubs and Fields	-	-	-	-	-	-	-	-	-	-
Vacant Land	-	-	-	-	-	-	-	-	-	-
<b>Total Property Rates</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Service Charges</b>										
Service Charges General	-	-	-	-	-	-	-	-	-	-
Electricity	-	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-	-
Waste Water Management	-	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	-	-	-
<b>Total Service Charges</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non Specific Accounts</b>										
<b>Total Other Receivables from Non-exchange Revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Debt Impairment</b>	<b>76</b>	<b>853</b>	<b>679</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>



**Depreciation, Amortisation and Impairment**

<b>Amortisation</b>										
Intangible Assets	3	27	40	30	3	3	3	152	152	167
<b>Total Amortisation</b>	<b>3</b>	<b>27</b>	<b>40</b>	<b>30</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>152</b>	<b>152</b>	<b>167</b>
<b>Depreciation</b>										
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-	-	-
Computer Equipment	48	112	177	497	497	497	497	1,644	1,644	1,644
Electrical Infrastructure	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	2,125	2,236	2,455	476	476	476	476	1,292	1,292	1,319
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-
Investment Property	-	-	-	15	15	15	15	81	81	81
Land	-	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	32	32	32	32	91	91	90
Other Assets	514	526	590	435	435	435	435	400	400	359
Rail Infrastructure	-	-	-	-	-	-	-	-	-	-
Roads Infrastructure	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	24	287	287	287	287	1,009	1,009	1,009
Storm water Infrastructure	-	-	-	-	-	-	-	-	-	-
Transport Assets	989	1,363	1,470	1,925	1,925	1,925	1,925	181	181	181
Water Supply Infrastructure	-	-	-	-	-	-	-	-	-	-
Zoo, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
<b>Total Depreciation</b>	<b>3,676</b>	<b>4,237</b>	<b>4,716</b>	<b>3,667</b>	<b>3,667</b>	<b>3,667</b>	<b>3,667</b>	<b>4,698</b>	<b>4,698</b>	<b>4,683</b>
<b>Capital Impairment Losses and Reversals</b>										
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Construction Work-in-progress	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-	-
Contributions to Provisions for landfill sites	-	-	-	-	-	-	-	-	-	-
Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-
Other Assets	326	233	1,153	-	-	-	-	-	-	-
Rails Infrastructure	-	-	-	-	-	-	-	-	-	-
Roads Infrastructure	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	-	-	-	-	-	-	-	-	-	-
Zoo, Marine and Non-biological Assets	-	-	-	-	-	-	-	-	-	-
<b>Total Property, Plant and Equipment</b>	<b>326</b>	<b>233</b>	<b>1,153</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Impairment Losses and Reversals</b>	<b>326</b>	<b>233</b>	<b>1,153</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Depreciation, Amortisation and Impairment</b>	<b>4,005</b>	<b>4,470</b>	<b>5,869</b>	<b>3,667</b>	<b>3,667</b>	<b>3,667</b>	<b>3,667</b>	<b>4,698</b>	<b>4,698</b>	<b>4,683</b>
<b>Interest, Dividends and Rent on Land</b>										
Dividends Paid	-	-	-	-	-	-	-	-	-	-
Interest Paid	3,006	2,255	1,918	1,427	1,427	1,427	1,427	1,447	1,436	1,219
Rent on Land	-	-	-	-	-	-	-	-	-	-
<b>Total Interest, Dividends and Rent on Land</b>	<b>3,006</b>	<b>2,255</b>	<b>1,918</b>	<b>1,427</b>	<b>1,427</b>	<b>1,427</b>	<b>1,427</b>	<b>1,447</b>	<b>1,436</b>	<b>1,219</b>
<b>Contracted Services</b>										
Consultants and Professional Services	7,702	7,003	6,862	13,903	15,508	15,508	15,508	11,420	11,136	9,856
Contracts	16,404	14,688	14,869	14,042	14,975	14,975	14,975	16,861	16,648	14,876
Outsourced Services	4,240	6,566	7,266	7,300	8,186	8,186	8,186	6,478	3,525	1,901
<b>Total Contracted Services</b>	<b>28,346</b>	<b>28,257</b>	<b>28,997</b>	<b>35,245</b>	<b>38,669</b>	<b>38,669</b>	<b>38,669</b>	<b>34,759</b>	<b>31,309</b>	<b>26,633</b>
<b>Transfers and Subsidies</b>										
<b>Capital</b>										
Allocations In-kind	-	-	-	-	-	-	-	-	-	-
Monetary Allocations	-	-	-	-	-	-	-	-	-	-
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operational</b>										
Allocations In-kind	-	-	-	-	-	-	-	-	-	-
Monetary Allocations	1,811	2,300	4,973	1,000	895	895	895	1,000	799	-
<b>Total Operational</b>	<b>1,811</b>	<b>2,300</b>	<b>4,973</b>	<b>1,000</b>	<b>895</b>	<b>895</b>	<b>895</b>	<b>1,000</b>	<b>799</b>	<b>-</b>
<b>Total Transfers and Subsidies</b>	<b>1,811</b>	<b>2,300</b>	<b>4,973</b>	<b>1,000</b>	<b>895</b>	<b>895</b>	<b>895</b>	<b>1,000</b>	<b>799</b>	<b>-</b>
<b>Irrecoverable Debts Written Off</b>										
<b>Bad debt written off</b>										
Exchange	-	-	-	-	-	-	-	-	-	-
Electroly	-	-	-	-	-	-	-	-	-	-
Non Specific Accounts	-	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-	-
Waste Water Management	-	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	-	-	-
<b>Total Exchange</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non-exchange</b>										
Non Specific Accounts	-	-	-	-	-	-	-	-	-	-
Property Rates	-	-	-	-	-	-	-	-	-	-
Service Charges	-	-	-	-	-	-	-	-	-	-
<b>Total Non-exchange</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Irrecoverable Debts Written Off</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Operational Cost and Other Cost**

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>Operational Cost</b>	4	4	4	10	10	10	10	10	10	9
Achievements and Awards	389	458	317	339	332	332	332	400	382	324
Advertising, Publicity and Marketing	379	210	214	337	297	327	327	247	209	20
Assets less than Full Depreciation Threshold	-	-	-	-	-	-	-	-	-	-
Atmospheric Emission License	155	140	144	179	130	130	130	122	127	132
Bank Charges, Facility and Cost Fees	-	-	-	-	-	-	-	-	-	-
Bargaining Council	-	-	-	-	-	-	-	-	-	-
Bond Issue Amortisation Costs	-	-	-	-	-	-	-	-	-	-
Brokers Fees	-	-	-	-	-	-	-	-	-	-
Burmeses (Employees)	454	181	153	150	200	200	200	160	170	177
Cash Discount	-	-	-	-	-	-	-	-	-	-
Cleaning Services	-	-	-	-	-	-	-	-	-	-
Commission	-	-	-	-	-	-	-	-	-	-
Communication	1 614	1 439	1 363	1 324	894	894	894	663	663	616
Contribution to Provisions	-	-	-	-	-	-	-	-	-	-
Copy Right Fees	-	-	-	-	-	-	-	-	-	-
Cost relating to the Sale of Houses	-	-	-	-	-	-	-	-	-	-
Crane and Delivery Services	-	-	-	-	-	-	-	-	-	-
Deeds	1	1	-	2	2	2	2	2	2	2
Devon License and Permits	36	40	35	56	56	56	56	43	34	7
Dumping Fees (District Councils)	-	-	-	-	-	-	-	-	-	-
Electricity Compliance Certificate	13	9	14	12	22	22	22	32	33	34
Entertainment	-	-	-	-	-	-	-	-	-	-
Expense Fees	-	-	-	-	-	-	-	-	-	-
Environmental Levy	-	-	-	-	-	-	-	-	-	-
Evikom Connection Fees	-	-	-	-	-	-	-	-	-	-
Evikom Audit Fees	3 546	4 215	4 216	3 520	4 039	4 039	4 039	4 005	3 500	3 000
External Computer Service	2 372	2 632	2 529	4 634	3 702	3 702	3 702	4 663	4 870	3 065
Fines and Penalties	-	-	-	-	-	-	-	-	-	-
Firearm Handling Fees	-	-	-	-	-	-	-	-	-	-
Freight Services	41	16	24	40	60	60	60	35	28	-
Full Time Union Representative	181	80	-	-	150	150	150	183	182	261
Gas Charges	78	46	10	87	87	87	87	87	60	38
Honorary (Voluntary Workers)	-	-	-	-	-	-	-	-	-	-
Indigent Relief	-	-	-	-	-	-	-	-	-	-
Insurance Underwriting	1 771	881	1 807	1 830	2 286	2 286	2 286	1 860	1 845	1 224
Capitalisation of Fuel Fuel Costs (Credit Account)	-	-	-	-	-	-	-	-	-	-
Land Acquisition Costs	136	161	89	166	166	166	166	-	-	-
Leasehold and Franchises	-	-	-	-	-	-	-	-	-	-
Licence Paid - Water Resource Management Charges	-	-	-	-	-	-	-	-	-	-
Licences	212	176	165	181	304	304	304	189	198	181
Management Fee	-	-	-	-	-	-	-	-	-	-
Municipal Services	6 913	5 869	8 830	9 420	9 720	9 720	9 720	8 878	8 642	6 546
Office Decorations	-	-	-	-	-	-	-	-	-	-
Parking Fees	-	-	-	-	-	-	-	-	-	-
Permits	-	-	-	-	-	-	-	-	-	-
Personnel Agency Fees (Personnel Recruitment Costs)	-	-	-	-	-	-	-	-	-	-
Printing, Publication and Books	54	107	490	135	353	353	353	302	258	207
Professional Bodies, Membership and Subscription	1 172	1 312	1 454	1 483	1 483	1 483	1 534	1 534	1 534	1 119
Registration Fees	15	26	26	26	26	26	26	26	26	26
Remuneration to Section 79 Committee Members	-	-	-	-	-	-	-	-	-	-
Repayment of Forward Deposits	-	-	-	-	-	-	-	-	-	-
Resilience Cost	30	-	11	-	-	-	-	-	-	-
Rewards Incentives	-	-	-	-	-	-	-	-	-	-
Road Hierarchy Tests	-	-	-	-	-	-	-	-	-	-
Samples and Specimens	-	-	-	-	-	-	-	-	-	-
Search Fees	-	-	-	-	-	-	-	-	-	-
Seating Allowance for Traditional Leaders	-	-	-	-	-	-	-	-	-	-
Services and Land Surveys	-	-	-	-	-	-	-	-	-	-
Signage	13	1	3	10	10	10	10	10	10	10
Skills Development Fund Levy	1 253	1 330	1 529	3 136	1 486	1 486	1 486	1 828	1 730	1 188
Small Differences, Tolerances	-	-	-	-	-	-	-	-	-	-
Storage of Assets and Goods	-	-	-	-	-	-	-	-	-	-
Storage of Files (Archiving)	-	-	-	-	-	-	-	-	-	-
Supplier Development Programme	-	-	-	-	-	-	-	-	-	-
System Access and Information Fees	-	-	-	-	-	-	-	-	-	-
Taking over Contractual Obligations	-	-	-	-	-	-	-	-	-	-
Toll Gate Fees	-	-	-	-	-	-	-	-	-	-
Transport Provided as Part of Departmental Activities	-	-	87	-	46	46	46	-	-	-
Travel Agency and Voucher	-	-	-	-	-	-	-	-	-	-
Travel and Subsistence	1 716	1 785	2 236	2 169	2 325	2 325	2 325	3 007	1 844	1 200
Uniform and Protective Clothing	1 003	785	841	1 629	1 368	1 368	1 368	1 677	1 669	504
Vehicle Tracking	-	-	-	10	-	-	-	-	-	-
Ward Committees	-	-	-	-	-	-	-	-	-	-
Warehouses and Guardrooms	-	-	-	-	-	-	-	-	-	-
Wet Fuel	-	-	-	-	-	-	-	-	-	-
Wholesale Commission Fund	746	838	891	2 879	1 929	1 929	1 929	3 058	1 813	742
<b>Total Operational Cost</b>	<b>24 325</b>	<b>23 215</b>	<b>30 843</b>	<b>34 216</b>	<b>31 902</b>	<b>31 902</b>	<b>31 902</b>	<b>31 447</b>	<b>30 281</b>	<b>23 541</b>
<b>Operating Leases</b>	-	-	-	-	-	-	-	-	-	-
Biological Assets	-	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Investment Properties	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	4 282	4 879	3 621	4 303	6 643	6 643	6 643	6 110	6 110	2 782
Other Assets	1 253	1 368	1 023	2 433	2 350	2 350	2 350	2 854	2 753	2 782
Transition Assets	-	-	-	-	-	-	-	-	-	-
Zoo, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
<b>Total Operational Cost and Other Cost</b>	<b>5 545</b>	<b>6 277</b>	<b>5 645</b>	<b>6 736</b>	<b>8 993</b>	<b>8 993</b>	<b>8 993</b>	<b>10 304</b>	<b>9 863</b>	<b>2 782</b>
<b>Discontinued Operations</b>	-	-	-	-	-	-	-	-	-	-
Statutory Payments other than Income Taxes	-	-	-	-	-	-	-	-	-	-
<b>Total Operational Cost and Other Cost</b>	<b>29 870</b>	<b>29 492</b>	<b>36 488</b>	<b>40 952</b>	<b>41 407</b>	<b>41 407</b>	<b>41 407</b>	<b>41 751</b>	<b>39 144</b>	<b>26 323</b>
<b>Disposal of Fixed and Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-
Biological Assets	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-	-	-	-	-
Living Resources	-	-	-	-	-	-	-	-	-	-
Property, Plant and Equipment	529	624	63	-	-	-	-	-	-	-
<b>Total Disposal of Fixed and Intangible Assets</b>	<b>529</b>	<b>624</b>	<b>63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Leases</b>	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Decrease in net realisable Value	4	-	233	-	-	-	-	-	-	-
Total Inventory	4	-	233	-	-	-	-	-	-	-
Water Leases	-	-	-	-	-	-	-	-	-	-
Apparent Leases	-	-	-	-	-	-	-	-	-	-
Customer Make Incorporated	-	-	-	-	-	-	-	-	-	-
Unauthorised Consumption	-	-	-	-	-	-	-	-	-	-
Total Apparent Leases	-	-	-	-	-	-	-	-	-	-
Date Transfer and Management Errors	-	-	-	-	-	-	-	-	-	-
Real Leases	-	-	-	-	-	-	-	-	-	-
Leakage and Overflows at Storage Tanks/Reservoirs	-	-	-	-	-	-	-	-	-	-
Leakage on Service Connections up to the point of Customer Meter	-	-	-	-	-	-	-	-	-	-
Leakage on Transmission and Distribution Main	-	-	-	-	-	-	-	-	-	-
Total Real Leases	-	-	-	-	-	-	-	-	-	-
Undisputed Annual Real Leases	-	-	-	-	-	-	-	-	-	-
<b>Total Water Leases</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fair Value Adjustment	-	-	-	-	-	-	-	-	-	-
Additional Assessments	-	-	-	-	-	-	-	-	-	-
Leave Gratuity	-	-	-	-	-	-	-	-	-	-
Long Service Awards	-	-	-	-	-	-	-	-	-	-
Medical	-	-	3 699	-	-	-	-	-	-	-
Pension Funds	-	-	-	-	-	-	-	-	-	-
<b>Total Additional Assessments</b>	<b>-</b>	<b>-</b>	<b>3 699</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Biological Assets	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Living Resources	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Total Fair Value Adjustment	-	-	3 699	-	-	-	-	-	-	-
Foreign Exchange	-	-	-	-	-	-	-	-	-	-
Discontinued Operations and Disposals of Non-current Assets	-	-	-	-	-	-	-	-	-	-
Contributions to Provisions for landfill sites	-	-	-	-	-	-	-	-	-	-
<b>Total Other Leases</b>	<b></b>									

DC3 Overberg - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.

Description	Ref	Vote 1 - Municipal Manager	Vote 2 - Management Services	Vote 3 - Corporate Services	Vote 4 - Finance	Vote 5 - Community Services	Total
<b>R thousand</b>	1						
<b>Revenue</b>							
<b>Exchange Revenue</b>							
Service charges - Electricity		-	-	-	-	-	-
Service charges - Water		-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	990	990
Service charges - Waste Management		-	-	-	-	20 150	20 150
Sales of Goods and Rendering of Services		-	-	-	127	157 715	157 842
Agency services		14 606	-	-	-	-	14 606
Interest		-	-	-	-	-	-
Interest earned from Receivables		-	-	-	4	350	354
Interest earned from Current and Non Current Assets		-	-	-	9 500	-	9 500
Dividends		-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-
Rental from Fixed Assets		-	-	45	-	17 732	17 777
Licence and permits		-	-	-	-	-	-
Special rating levies		-	-	-	-	-	-
Construction Contract Revenue		-	-	-	-	-	-
Development Charges		-	-	-	-	-	-
Operational Revenue		-	-	196	552	1 013	1 761
<b>Non-Exchange Revenue</b>							
Property rates		-	-	-	-	-	-
Surcharges and Taxes		-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-
Licences or permits		-	-	-	-	1 531	1 531
Transfer and subsidies - Operational		16 942	-	300	68 664	11 318	97 224
Interest		-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets		1 100	-	-	-	-	1 100
Other Gains		-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and con</b>		<b>32 648</b>	<b>-</b>	<b>541</b>	<b>78 847</b>	<b>210 800</b>	<b>322 835</b>
<b>Expenditure</b>							
Employee related costs		7 767	-	13 680	18 820	144 772	185 039
Remuneration of councillors		7 423	-	-	-	-	7 423
Bulk purchases - electricity		-	-	-	-	-	-
Inventory consumed		18	-	548	149	45 741	46 455
Debt impairment		-	-	-	-	100	100
Depreciation, amortisation and impairment		55	-	570	122	4 103	4 850
Interest, Dividends and Rent on Land		-	-	-	430	1 017	1 447
Contracted services		815	-	2 031	5 272	26 641	34 759
Transfers and subsidies		-	-	-	-	1 000	1 000
Irrecoverable debts written off		-	-	-	-	-	-
Operational cost		1 616	-	5 761	6 641	27 732	41 750
Disposal of Fixed and Intangible Assets		-	-	-	-	-	-
Other Losses		-	-	-	-	-	-
<b>Total Expenditure</b>		<b>17 694</b>	<b>-</b>	<b>22 589</b>	<b>31 434</b>	<b>251 106</b>	<b>322 823</b>
<b>Surplus/(Deficit)</b>		<b>14 954</b>	<b>-</b>	<b>(22 049)</b>	<b>47 413</b>	<b>(40 306)</b>	<b>12</b>
Transfers and subsidies - capital (monetary allocations)		-	-	-	1 500	1 299	2 799
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>14 954</b>	<b>-</b>	<b>(22 049)</b>	<b>48 913</b>	<b>(39 007)</b>	<b>2 811</b>

DC3 Overview - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2022/23			2023/24			2024/25			Current Year 2023/24			2023/27 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year '23	Budget Year '24	Budget Year '25	Budget Year '26	Budget Year '27			
<b>ASSETS</b>																
<b>Current Assets</b>																
Cash and Cash Equivalents																
Cash Deposits and Investments		85,534	75,424	76,543	63,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	
Cash at Bank		2,101	2,161	2,283	2,348	2,348	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	
Cash on Hand		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Cash and Cash Equivalents</b>		<b>87,635</b>	<b>77,584</b>	<b>78,826</b>	<b>65,348</b>	<b>70,348</b>	<b>70,590</b>	<b>70,590</b>	<b>70,590</b>	<b>70,590</b>	<b>70,590</b>	<b>70,590</b>	<b>70,590</b>	<b>70,590</b>	<b>70,590</b>	
Short term Investments																
Deposits Taking Institutions																
Trade and other receivables from exchange transactions																
Electricity		7	12	23	13	22	22	22	22	22	22	22	22	22	22	
Waste Management		38	82	143	82	143	143	143	143	143	143	143	143	143	143	
Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Trade receivables from exchange transactions		2,932	10,671	11,602	10,078	11,502	11,502	11,502	11,502	11,502	11,502	11,502	11,502	11,502	11,502	
VAT Receivable Input Tax Accrued		216	358	460	358	262	262	262	262	262	262	262	262	262	262	
Gross: Trade and other receivables from exchange transactions		6,486	11,131	11,827	11,131	11,827	11,827	11,827	11,827	11,827	11,827	11,827	11,827	11,827	11,827	
Less: Impairment for debt		(3)	(3)	(7)	(3)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	
Impairment for Electricity		(10)	(33)	(61)	(33)	(61)	(61)	(61)	(61)	(61)	(61)	(61)	(61)	(61)	(61)	
Impairment for Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Impairment for Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Impairment for Water		(282)	-	-	-	-	-	-	-	-	-	-	-	-	-	
Impairment for other trade receivables from exchange transactions		(482)	(1,231)	(1,796)	(1,234)	(1,896)	(1,896)	(1,896)	(1,896)	(1,896)	(1,896)	(1,896)	(1,896)	(1,896)	(1,896)	
Total Less: Impairment for debt		(485)	(1,234)	(1,803)	(1,470)	(1,964)	(1,964)	(1,964)	(1,964)	(1,964)	(1,964)	(1,964)	(1,964)	(1,964)	(1,964)	
<b>Total net Trade and other receivables from Exchange Transactions</b>		<b>6,001</b>	<b>9,897</b>	<b>9,924</b>	<b>9,661</b>	<b>9,863</b>	<b>9,863</b>	<b>9,863</b>	<b>9,863</b>	<b>9,863</b>	<b>9,863</b>	<b>9,863</b>	<b>9,863</b>	<b>9,863</b>	<b>9,863</b>	
Receivables from non-exchange transactions																
Property rates																
Agricultural Properties		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Business and Commercial Properties		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Industrial Properties		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Mining Properties		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public Benefit Organisations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public Service Infrastructure Properties		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public Service Purpose Properties		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Residential Properties		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Residential Sectional Title Garages		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sports Clubs and Fields		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vacant Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Property Rates General		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gross: Property rates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Less: Impairment of Property rates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Net Property rates</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Other receivables from non-exchange transactions		355	365	615	565	615	615	615	615	615	615	615	615	615	615	
Lease Impairment for other receivables from non-exchange transactions		(10)	(5)	(10)	(5)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	
<b>Net other receivables from non-exchange transactions</b>		<b>345</b>	<b>360</b>	<b>605</b>	<b>560</b>	<b>605</b>	<b>605</b>	<b>605</b>	<b>605</b>	<b>605</b>	<b>605</b>	<b>605</b>	<b>605</b>	<b>605</b>	<b>605</b>	
<b>Total net Receivables from non-exchange transactions</b>		<b>345</b>	<b>360</b>	<b>605</b>	<b>560</b>	<b>605</b>	<b>605</b>	<b>605</b>	<b>605</b>	<b>605</b>	<b>605</b>	<b>605</b>	<b>605</b>	<b>605</b>	<b>605</b>	
Current Portion of Non-current Receivables																
Associates																
Binary Obligations																
Computer and Electronic Equipment																
Employee Benefits		1,863	2,040	2,073	2,283	2,317	2,317	2,317	2,317	2,317	2,317	2,317	2,317	2,317	2,317	
Finance Lease Receivable		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Housing Land Sales		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Housing Selling Schemes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Intercompany (Parent/subsidiary) Transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Joint Ventures		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Operating Lease		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public Organisation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sporting and Other Bodies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Staff Loans/Recoveries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Current Portion of Non-current Receivables</b>		<b>1,863</b>	<b>2,040</b>	<b>2,073</b>	<b>2,283</b>	<b>2,317</b>	<b>2,317</b>	<b>2,317</b>	<b>2,317</b>	<b>2,317</b>	<b>2,317</b>	<b>2,317</b>	<b>2,317</b>	<b>2,317</b>	<b>2,317</b>	
Inventory																
Agricultural																
Consumables		1,571	1,767	1,263	1,767	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	
Finished Goods		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Housing Stock		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Materials and Supplies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Work-in-progress		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Inventory</b>		<b>1,571</b>	<b>1,767</b>	<b>1,263</b>	<b>1,767</b>	<b>1,263</b>	<b>1,263</b>	<b>1,263</b>	<b>1,263</b>	<b>1,263</b>	<b>1,263</b>	<b>1,263</b>	<b>1,263</b>	<b>1,263</b>	<b>1,263</b>	
VAT Receivable																
Input Tax Capital																
Input Tax General																
VAT Control (Receivable)		407	303	793	303	793	793	793	793	793	793	793	793	793	793	
<b>Total VAT Receivable</b>		<b>407</b>	<b>303</b>	<b>793</b>	<b>303</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>793</b>	
Other current assets																
Construction Contracts and Receivables																
Control, Clearing and Inlet Accounts																
Deposits																
Fair Value Adjustments																
Income Tax Receivable																
Operating Lease - Group Living																
Intercompany (Parent/subsidiary) Transactions																
<b>Total Other current assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total Current Assets</b>		<b>93,463</b>	<b>85,116</b>	<b>83,523</b>	<b>78,531</b>	<b>85,531</b>	<b>85,531</b>	<b>85,531</b>	<b>85,531</b>	<b>85,531</b>	<b>85,531</b>	<b>85,531</b>	<b>85,531</b>	<b>85,531</b>	<b>85,531</b>	
<b>Non-current Assets</b>																
Investments																
Bank Reconciliation Agreements																
Bankers Acceptance Certificates																
Deposits Taking Institutions																
Derivative Financial Assets																
Guaranteed Endowment Policies (Sinking)																
Interest Rate Swaps																
Listed/Unlisted Bonds and Stocks																
Municipal Bonds				</												



DC3 Overberg - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	MTDP Service Outcome	IUDF	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand												
Basic Services and Infrastructure	To ensure the well-being of all in the Overberg through the provision of efficient basic services and infrastructure.	SG1		138 048	147 079	167 925	168 776	169 226	169 226	183 216	158 043	54 079
Local Economic Development	To promote regional economic development by supporting the initiatives in the district for the development of a sustainable district economy.	SG3		18 849	21 241	22 030	23 795	25 133	25 133	27 583	28 339	30 323
Municipal Transformation & Institutional Development	To ensure municipal transformation and institutional development by creating a staff structure that would adhere to the principles of employment equity and promote skills development.	SG3		33	101	42	47	240	240	541	548	556
Financial Viability	To attain and maintain financial viability and sustainability by executing accounting services in accordance with National policy and guidelines.	SG4		98 921	101 468	87 813	79 673	81 545	81 545	78 847	81 703	84 189
Good governance and Community Participation	To ensure good governance practices by providing a dramatic and proactive accountable government and ensuring community participation through IGR structures	SG5		12 247	13 632	21 831	34 521	34 521	34 521	32 648	29 196	26 447
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	268 097	283 521	299 642	306 812	310 665	310 665	322 835	297 829	195 595

OVERBERG DISTRICT MUNICIPALITY  
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DC3 Overberg - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	MTDP Service Outcome	IUDF	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand												
Basic Services and Infrastructure	To ensure the well-being of all in the Overberg through the provision of efficient basic services and infrastructure.	SG1		183 798	193 012	210 592	215 618	217 834	217 834	231 031	203 751	99 120
Local Economic Development	To promote regional economic development by supporting the initiatives in the district for the development of a sustainable district economy.	SG3		16 601	17 227	21 191	22 250	23 157	23 157	20 075	18 678	17 598
Municipal Transformation & Institutional Development	To ensure municipal transformation and institutional development by creating a staff structure that would adhere to the principles of employment equity and promote skills development.	SG3		13 513	15 596	18 949	20 418	20 360	20 360	22 589	23 320	24 360
Financial Viability	To attain and maintain financial viability and sustainability by executing accounting services in accordance with National policy and guidelines.	SG4		27 630	26 841	32 642	30 709	31 426	31 426	31 434	32 708	34 166
Good governance and Community Participation	To ensure good governance practices by providing a dramatic and proactive accountable government and ensuring community participation through IGR structures	SG5		14 592	15 973	16 759	17 772	17 839	17 839	17 694	19 230	20 273
Allocations to other priorities												
Total Expenditure			1	256 134	268 649	300 132	306 767	310 616	310 616	322 823	297 687	195 518

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DC3 Overberg - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	MTDP Service Outcome	IUDF	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand												
Basic Services and Infrastructure	To ensure the well-being of all in the Overberg through the provision of efficient basic services and infrastructure	SG1		4 445	9 707	12 557	11 888	36 781	36 781	27 631	3 600	3 150
Local Economic Development	To promote regional economic development by supporting the initiatives in the district for the development of	SG3		1 743	376	1 626	250	523	523	180	180	-
Municipal Transformation & Institutional Development	To ensure municipal transformation and institutional development by creating a	SG3		1 467	2 087	1 179	2 675	2 667	2 667	663	400	700
Financial Viability	To attain and maintain financial viability and sustainability by executing	SG4		3	18	30	42	42	42	-	-	-
Good governance and Community Participation	To ensure good governance practices by providing a dramatic and proactive	SG5		13	2	14	23	22	22	-	-	-
Allocations to other priorities			3									
<b>Total Capital Expenditure</b>			1	<b>7 671</b>	<b>12 191</b>	<b>15 405</b>	<b>14 878</b>	<b>40 035</b>	<b>40 035</b>	<b>28 474</b>	<b>4 180</b>	<b>3 850</b>

OVERBERG DISTRICT MUNICIPALITY  
 26 LONG STREET / PRIVATE BAG X22  
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DC3 Overberg - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	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>Vote 1 - vote name</b>										
<b>Executive</b>										
Percentage positions filled in the three highest levels of management in terms of the approved Employment Equity Plan as at 30 June (Reg)	% of positions filled in the three highest levels of management							TBC		
Percentage of the capital budget spend on capital projects by 30 June (Reg)	% of capital budget spent (Actual amount spent on capital projects/Total amount budgeted for capital projects)	50.0%	85.1%	98.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
<b>Internal Audit</b>										
Develop a Risk-based Audit Plan for the next	Risk-based audit plan	1	1	1	1	1	1	1	1	1
<b>IDP and Communications</b>										
Draft a five year IDP and submit to Council for consideration by 31 March	IDP drafted and submitted	1	1	1	1	1	1	1	1	1
Develop a District IDP Framework Plan and submit to Council for consideration by 31 March	Plan developed and submitted							1		
<b>Performance and Risk Management</b>										
Execute Strategic Risk assessment	Number of strategic risk assessments executed	1	1	1	1	1	1	1	1	1
<b>Vote 2 - Management Services</b>										
<b>Vote 3 - Corporate Services</b>										
<b>Human Resources</b>										
Review and update the Staff Establishment as per the MSR and table to Council by 31 May	Reviewed staff establishment tabled per annum		1	1	1	1	1	1	1	1
Percentage of the municipal budget spent on implementing the workplace skills plan by 30 June	% of the municipal budget spent ((Actual total training expenditure divided by total	0.44	0.55	0.23	0.37	90 of training budget	90 of training budget	TBC	TBC	TBC
submit to Council for consideration by 31 March	Plan developed and submitted to Council							1		
Review the HR Strategy and submit to Council for consideration by 31 March	Strategy reviewed and submitted to Council							1		
Conduct a skills audit for the Administration (excluding senior management) by 31 December	% of the skills audit conducted (Number of staff skills audit completed/Total number of staff on 31 December)							1		
Create temporary work opportunities through the municipality's EPWP programme by 30 June	Number of temporary EPWP work opportunities created per annum	207	135	149	172	96	96	TBC	TBC	TBC
<b>Administrative Services</b>										
Review the Council Rules of Order for Council and Portfolio Committee meetings and submit to Council for consideration by the end of	Rules of Order reviewed and submitted to Council							1		
<b>Corporate Support Services</b>										
Review the Delegation Register and submit to Council for consideration by 31 May	Delegation register reviewed and submitted to Council				1	1	1	1		

OVERBERG DISTRICT MUNICIPALITY  
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Vote 4 - Finance										
Finance										
Measure financial viability in terms of the municipality's ability to meet its service debt obligations by 30 June (Debt coverage) (Reg)	The number of times the municipality was able to meet its Debt obligation ((Total operating revenue received - operating grants)/debt service payments))	11.20	12.06	12.27	7.00	7.00	7.00	7.00	7.00	7.00
Measure financial viability in terms of the available cash to cover fixed operating expenditure by 30 June (Cost coverage) (Reg)	Number of months cash were available to cover fixed operating expenditure ((All available cash at a particular time + Investments)/monthly	4.12	3.48	3.21	3.00	3.00	3.00	3.00	3.00	3.00
Measure financial viability in terms of percentage outstanding service debtors by 30 June (Service Debtors) (Reg)	% Outstanding service debtors per annum (Total outstanding service debtors/annual revenue received for services)	13.0%	11.6%	9.5%	20.0%	12.0%	12.0%	12.0%	12.0%	12.0%
Develop a Revenue Enhancement Plan and submit to Council for consideration by 31 March	Plan developed and submitted for consideration to Council							1		
<b>SCM &amp; Assets</b>										
<b>Payroll, Banking and Cash</b>										
Vote 5 - Community Services										
<b>Municipal Health Services</b>										
Take domestic drinking water samples in towns and communities to monitor water quality	Number of samples taken per annum	680	915	1062	1056	913	913	1056	1056	1056
Take food samples to monitor the quality of Food to the FCD Act and legislative	Number of samples taken per annum	783	485	619	576	576	576	576	576	576
Take water samples at Sewerage Final Outflow to monitor water quality	Number of samples taken per annum	173	196	298	284	257	257	284	284	284
refurbishment of the municipal health services building at Calendon depo by 30 June	% of the budget spent (Total amount of capital							90.00%		
extend of municipal health premises in the Overberg region and submit to Council for	Assessment conducted and submitted							1		
<b>Environmental Management</b>										
Develop a climate change needs and response	Climate change needs				1	0	0	1		
<b>Solid Waste</b>										
Achieve a 90% compliance audit outcome for the Karwyderskraal Regional Landfill Facility for the annum	% compliance audit outcome achieved for the financial year			98.97%			98.98%	90.0%	90.0%	90.0%
Complete the construction of Cell 5 portion of the access road and expansion of compost facility at Karwyderskraal Landfill site by 31	Project completed							1		
<b>Emergency Services</b>										
Table Disaster Risk Management Plan review to Council by 30 June	Reviewed Disaster Risk Management Plan tabled	1	1	1	1	1	1	1	1	1
Purchase a fire truck by 30 June	Number of trucks purchased							1		
<b>Roads</b>										
Kilometres of gravel roads to be regavelled	Number of kilometres road regavelled per	43	31.44	32	48.86	48.86	48.86	50		
Kilometres of gravel roads to be bladed	Number of kilometres gravel road bladed per	6862.61	6686.53	6856	6500	6500	6500	6500	6500	6500
Kilometers of roads resealed per annum	Number of kilometers of roads resealed	16.26	13.75	19.70	18.63	18.63	18.63	19.81		
Square meters of black top patching completed per annum	Number of square meters completed							TBC	TBC	TBC
<b>LED, Tourism and Resorts</b>										
Complete a feasibility study with scenario plans for the resorts and submit to Council for consideration by 31 December	Feasibility study completed and submitted to Council.				1	1	0	1	1	1
Develop a Regional Economic Integration Plan and submit to Council for consideration by 30 June	Plan developed and submitted for consideration to Council							1		

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DC3 Overberg - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>Borrowing Management</b>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	3.0%	2.8%	2.2%	2.8%	2.3%	2.3%	2.3%	1.9%	1.5%	3.1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	3.0%	2.8%	2.3%	2.9%	2.4%	2.4%	2.4%	2.0%	1.5%	3.3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	177.7%	599.6%	599.6%	599.6%	426.7%	226.6%	0.0%
<b>Safety of Capital</b>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	2.2	2.7	2.4	2.4	2.6	2.6	2.6	1.6	1.3	1.1
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 day/current liabilities	2.2	2.7	2.4	2.4	2.6	2.6	2.6	1.6	1.3	1.1
Liquidity Ratio	Monetary Assets/Current Liabilities	2.1	2.6	2.3	2.3	2.4	2.4	2.4	1.4	1.1	1.0
<b>Revenue Management</b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0.0%	8.8%	10.2%	11.6%	11.5%	12.0%	12.0%	12.0%	11.8%	14.8%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		8.8%	10.2%	11.6%	11.5%	12.0%	12.0%	12.0%	11.8%	14.8%	49.2%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	6.0%	5.7%	5.4%	5.3%	5.2%	5.2%	5.2%	5.0%	5.3%	7.8%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<b>Creditors Management</b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA's 65(e))										
Creditors to Cash and Investments		22.1%	10.2%	8.9%	12.4%	9.9%	9.9%	9.9%	13.3%	16.0%	20.0%
<b>Other Indicators</b>											
	Total Volume Losses (kW) technical										
	Total Volume Losses (kW) non technical										
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Volumes -System input	Bulk Purchase Water treatment works Natural sources										
Water Distribution Losses (2)	Total Volume Losses (kℓ) Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	52.5%	53.8%	56.3%	59.1%	58.1%	58.1%	58.1%	60.0%	61.8%	63.2%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	54.9%	56.3%	58.7%	61.5%	60.5%	60.5%	64.9%	62.4%	64.6%	67.5%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	3.5%	1.8%	2.0%	3.5%	3.1%	3.1%	3.5%	3.4%	3.7%	5.6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	2.7%	2.5%	2.7%	1.7%	1.7%	1.7%	1.7%	2.0%	2.2%	3.1%
<b>IDP regulation financial viability indicators</b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	18.6	20.7	17.2	19.2	19.4	19.4	20.4	24.0	19.2	12.6
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	1.9%	1.7%	1.6%	1.6%	1.6%	1.6%	1.6%	1.5%	1.7%	5.5%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	3.3	2.7	2.7	2.2	2.4	2.4	2.5	2.3	-	-

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DC3 Overberg - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2022/23	2023/24	2024/25	Current Year 2025/26	2026/27 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
<b>Demographics</b>												
Population												
Females aged 5 - 14												
Males aged 5 - 14												
Females aged 15 - 34												
Males aged 15 - 34												
Unemployment												
<b>Monthly household income (no. of households)</b>	1.											
No income												
R1 - R1 600												
R1 601 - R3 200												
R3 201 - R6 400												
R6 401 - R12 800												
R12 801 - R25 600												
R25 601 - R51 200												
R52 201 - R102 400												
R102 401 - R204 800												
R204 801 - R409 600												
R409 601 - R819 200												
> R819 200												
<b>Poverty profiles (no. of households)</b>												
< R2 060 per household per month	13											
Insert description	2											
<b>Household/demographics (000)</b>												
Number of people in municipal area												
Number of poor people in municipal area												
Number of households in municipal area												
Number of poor households in municipal area												
Definition of poor household (R per month)												
<b>Housing statistics</b>	3											
Formal												
Informal												
<b>Total number of households</b>												
Dwellings provided by municipality	4											
Dwellings provided by province/s												
Dwellings provided by private sector	5											
<b>Total new housing dwellings</b>												
<b>Economic</b>	6											
Inflation/inflation outlook (CPIX)												
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
<b>Collection rates</b>	7											
Property tax/service charges												
Rental of facilities & equipment												
Interest - external investments												
Interest - debtors												
Revenue from agency services												

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**DC3 Overberg Supporting Table SA10 Funding measurement**

Description	MFMA section	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>Funding measures</b>												
Cash/cash equivalents at the year end - R'000	18(1)b	1	87 936	77 584	78 826	64 346	70 590	70 590	70 590	52 603	43 838	35 024
Cash + investments at the yr end less applications - R'000	18(1)b	2	98 054	97 230	104 362	92 676	100 114	100 114	100 114	83 676	77 437	81 334
Cash year end/monthly employee/supplier payments	18(1)b	3	3.3	2.7	2.7	2.2	2.4	2.4	2.4	2.3	2.3	2.3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	1 261	3 941	(8 185)	(13 406)	(12 954)	(12 954)	(12 954)	(11 785)	(11 218)	77
Service charge rev % change - macro CPI target exclusi	18(1)a,(2)	5	N.A.	28.9%	13.0%	(5.8%)	(0.6%)	(6.0%)	(6.0%)	1.1%	1.0%	0.0%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	116.6%	93.6%	106.3%	109.0%	108.1%	108.1%	108.1%	109.7%	112.3%	138.8%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.7%	5.4%	3.6%	0.5%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	64.0%	85.7%	85.7%	85.7%	81.0%	69.4%	0.0%
Grants % of Gov't legislated/gazetted allocations	18(1)a	10	N.A.	48.1%	1.4%	(1.1%)	3.0%	0.0%	0.0%	0.0%	0.9%	1.1%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	2.6%	11.4%	(0.6%)	3.9%	0.0%	0.0%	3.7%	5.0%	6.0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	5.3%	5.5%	8.9%	6.6%	6.6%	6.4%	6.5%	6.7%	0.0%
R&M % of Property Plant & Equipment	20(1)(v)	13	10.2%	12.8%	23.2%	8.9%	4.0%	4.0%	4.0%	2.5%	16.7%	16.9%
Asset renewal % of capital budget	20(1)(v)	14	11.1%	12.8%	23.2%	8.9%	4.0%	4.0%	4.0%	2.5%	16.7%	16.9%

**References**

- Positive cash balances indicative of minimum compliance - subject to 2
- Deduct cash and investment applications (defined) from cash balances
- Indicative of sufficient liquidity to meet average monthly operating payments
- Indicative of funded operational requirements
- Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
- Realistic average cash collection forecasts as % of annual billed revenue
- Realistic average increase in debt impairment (doubtful debt) provision
- Indicative of planned capital expenditure level & cash payment timing
- Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing
- Substantiation of National/Province allocations included in budget
- Indicative of realistic current arrears debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
- Indicative of realistic long term arrears debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
- Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection
- Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

**Supporting Indicators**

Description	MFMA section	Ref	2022/23	2023/24	2024/25	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
% Incr total service charges (incl prop rates)	18(1)a		0.0%	35.9%	19.0%	0.2%	5.2%	0.0%	0.0%	7.1%	7.0%	6.0%
% Incr Property Tax	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Incr Service charges - Electricity	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Incr Service charges - Water	18(1)a		0.0%	0.0%	(100.0%)	0.0%	0.0%	0.0%	0.0%	(100.0%)	0.0%	0.0%
% Incr Service charges - Waste Water Management	18(1)a		0.0%	8.5%	4.4%	(61.2%)	500.0%	0.0%	0.0%	10.0%	7.0%	7.0%
% Incr Service charges - Waste Management	18(1)a		0.0%	37.4%	19.9%	3.8%	1.1%	0.0%	0.0%	7.1%	7.0%	6.0%
% Incr in Sale of Goods and Rendering of Services	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		11 589	15 748	18 738	18 771	19 746	19 746	19 746	21 140	22 620	23 888
Service charges	18(1)a		11 589	15 748	18 738	18 771	19 746	19 746	19 746	21 140	22 620	23 888
Property rates			-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue			-	-	-	-	-	-	-	-	-	-
Service charges - water revenue			-	24	-	-	25	25	25	-	-	-
Service charges - sanitation revenue			704	765	798	150	900	900	900	990	1 059	1 133
Service charges - refuse removal			10 884	14 959	17 939	18 621	18 821	18 821	18 821	20 150	21 561	22 854
Agency services			-	-	-	-	-	-	-	-	-	-
Capital expenditure excluding capital grant funding			6 451	10 229	12 374	14 378	39 087	39 087	39 087	25 675	4 180	3 850
Cash receipts from ratepayers	18(1)a		179 893	164 961	197 296	195 834	197 782	197 782	197 782	199 951	176 860	74 420
Ratepayer & Other revenue	18(1)a		154 293	176 246	185 622	179 720	182 883	182 883	182 883	182 274	157 419	83 618
Change in consumer debtors (current and non-current)			N/A	4 572	2 552	(278)	1 270	-	-	882	1 357	1 710
Operating and Capital Grant Revenue	18(1)a		90 943	92 458	84 569	99 298	101 547	101 547	101 547	109 023	97 931	102 770
Capital expenditure - total	20(1)(v)		7 671	12 191	15 405	14 878	40 035	40 035	40 035	28 474	4 180	3 850
Capital expenditure - renewal	20(1)(v)		849	1 555	3 581	1 325	1 607	1 607	1 607	710	700	850

**Supporting benchmarks**

Growth guideline maximum	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline	4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DORA operating grants total MFY												
DORA capital grants total MFY												
Provincial operating grants												
Provincial capital grants												
District Municipality grants												
Total gazetted/advised national, provincial and district grants												
Average annual collection rate (arrears inclusive)												

**DORA operating**

Use operating grants												

**DORA capital**

Use capital grants												

**Trend**

Change in consumer debtors (current and non-current)	N/A		4 572	2 552	(278)	1 270	-	-	-	882	1 357	1 710
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**Total Operating Revenue**

Total Operating Revenue			256 091	270 612	285 817	292 861	296 715	296 715	296 715	308 229	288 469	195 595
Total Operating Expenditure			256 134	268 649	300 132	306 767	310 616	310 616	310 616	322 823	297 687	195 518
Operating Performance Surplus/(Deficit)			(43)	1 963	(14 316)	(13 906)	(13 902)	(13 902)	(13 902)	(14 594)	(11 218)	77

**Cash and Cash Equivalents (30 June 2022)**

Cash and Cash Equivalents			87 936	77 584	78 826	64 346	70 590	70 590	70 590	52 603	43 838	35 024
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**Revenue**

% Increase in Total Operating Revenue			5.7%	5.6%	2.5%	1.3%	0.0%	0.0%	0.0%	3.9%	(7.1%)	(31.7%)
% Increase in Property Rates Revenue			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Electricity Revenue			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Property Rates & Services Charges			35.9%	19.0%	0.2%	5.2%	0.0%	0.0%	0.0%	7.1%	7.0%	6.0%

**Expenditure**

% Increase in Total Operating Expenditure			0.0%	4.9%	11.7%	2.2%	1.3%	0.0%	0.0%	3.9%	(7.8%)	(34.3%)
% Increase in Employee Costs			0.0%	8.3%	10.5%	7.6%	(0.5%)	0.0%	0.0%	7.4%	(4.3%)	(30.2%)
% Increase in Electricity Bulk Purchases			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Average Cost Per Budgeted Employee Position (Remuneration)			0	0	0	0	0	0	0	0	0	0
R&M % of PPE			10.2%	5.3%	5.5%	8.9%	6.6%	6.6%	6.4%	6.4%	6.5%	6.7%
Asset Renewal and R&M as a % of PPE			12.3%	12.9%	11.9%	19.9%	33.2%	33.2%	19.9%	19.9%	9.0%	7.5%
Debt Impairment % of Total Billable Revenue			0.7%	5.4%	3.6%	0.5%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%

**Capital Revenue**

Internally Funded & Other (R'000)			6 085	5 742	12 108	5 178	5 587	5 587	5 587	4 875	1 280	3 850
Borrowing (R'000)			367	4 487	265	9 200	33 500	33 500	33 500	20 800	2 900	-
Grant Funding and Other (R'000)			1 219	1 961	3 031	500	948	948	948	2 799	-	-
Internally Generated funds % of Non Grant Funding			84.3%	56.1%	97.9%	36.0%	14.3%	14.3%	14.3%	19.0%	30.6%	100.0%
Borrowing % of Non Grant Funding			5.7%	43.9%	2.1%	64.0%	85.7%	85.7%	85.7%	81.0%	89.4%	0.0%
Grant Funding % of Total Funding			15.9%	16.1%	19.7%	3.4%	2.4%	2.4%	2.4%	9.8%	0.0%	0.0%

**Capital Expenditure**

Total Capital Programme (R'000)			7 671	12 191	15 405	14 878	40 035	40 035	40 035	28 474	4 180	3 850
Asset Renewal			1 783	7 225	6 678	12 549	37 244	37 244	-	22 185	4 180	1 350
Asset Renewal % of Total Capital Expenditure			23.2%	59.3%	43.3%	84.3%	93.0%	93.0%	0.0%	77.9%	100.0%	35.1%

**Cash**

Cash Receipts % of Rate Payer & Other			116.6%	93.6%	106.3%	109.0%	108.1%	108.1%	108.1%	109.7%	112.3%	138.8%
Cash Coverage Ratio			0	0	0	0	0	0	0	0	-	-

**Borrowing**

Most recent Credit Rating										0	1.5%	3.1%
Capital Charges to Operating			3.0%	2.8%	2.2%	2.8%	2.3%	2.3%	2.3%	1.9%	1.5%	3.1%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	64.0%	85.7%	85.7%	85.7%	81.0%	69.4%	0.0%

**Reserves**

Uncommitted reserves after application of cash and investments			98 054	97 230	104 362	92 676	100 114	100 114	100 114	83 676	77 437	81 334
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**Free Services**

DC3 Overberg - Supporting Table SA11 Property rates summary

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>Valuation:</b>	1									
Date of valuation:										
Financial year valuation used										
Municipal by-laws s6 in place? (Y/N)	2									
Municipal/assistant valuer appointed? (Y/N)										
Municipal partnership s38 used? (Y/N)										
No. of assistant valuers (FTE)	3									
No. of data collectors (FTE)	3									
No. of internal valuers (FTE)	3									
No. of external valuers (FTE)	3									
No. of additional valuers (FTE)	4									
Valuation appeal board established? (Y/N)										
Implementation time of new valuation roll (mths)										
No. of properties	5									
No. of sectional title values	5									
No. of unreasonably difficult properties s7(2)										
No. of supplementary valuations										
No. of valuation roll amendments										
No. of objections by rate payers										
No. of appeals by rate payers										
No. of successful objections	8									
No. of successful objections > 10%	8									
Supplementary valuation										
Public service infrastructure value (Rm)	5									
Municipality owned property value (Rm)										
<b>Valuation reductions:</b>										
Valuation reductions-public infrastructure (Rm)										
Valuation reductions-nature reserves/park (Rm)										
Valuation reductions-mineral rights (Rm)										
Valuation reductions-R15,000 threshold (Rm)										
Valuation reductions-public worship (Rm)										
Valuation reductions-other (Rm)										
<b>Total valuation reductions:</b>		-	-	-	-	-	-	-	-	-
Total value used for rating (Rm)	5									
Total land value (Rm)	5									
Total value of improvements (Rm)	5									
Total market value (Rm)	5									
<b>Rating:</b>										
Residential rate used to determine rate for other categories? (Y/N)										
Differential rates used? (Y/N)	5									
Limit on annual rate increase (s20)? (Y/N)										
Special rating area used? (Y/N)										
Phasing-in properties s21 (number)										
Rates policy accompanying budget? (Y/N)										
Fixed amount minimum value (R'000)										
Non-residential prescribed ratio s19? (%)										
<b>Rate revenue:</b>										
Rate revenue budget (R'000)	6									
Rate revenue expected to collect (R'000)	6									
Expected cash collection rate (%)										
Special rating areas (R'000)	7									
Rebates, exemptions - indigent (R'000)										
Rebates, exemptions - pensioners (R'000)										
Rebates, exemptions - bona fide farm. (R'000)										
Rebates, exemptions - other (R'000)										
Phase-in reductions/discounts (R'000)										
<b>Total rebates, exemptns, reductns, discs (R'000)</b>		-	-	-	-	-	-	-	-	-

DC3 Overberg - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)
<b>Current Year 2025/26</b>												
<b>Valuation:</b>												
No. of properties												
No. of sectional title property values												
No. of unreasonably difficult properties s7(2)												
No. of supplementary valuations												
Supplementary valuation (Rm)												
No. of valuation roll amendments												
No. of objections by rate-payers												
No. of appeals by rate-payers												
No. of appeals by rate-payers finalised												
No. of successful objections	5											
No. of successful objections > 10%	5											
Estimated no. of properties not valued												
Years since last valuation (select)												
Frequency of valuation (select)												
Method of valuation used (select)												
Base of valuation (select)												
Phasing-in properties s21 (number)												
Combination of rating types used? (Y/N)												
Flat rate used? (Y/N)												
Is balance rated by uniform rate/variable rate?												
<b>Valuation reductions:</b>												
Valuation reductions-public infrastructure (Rm)												
Valuation reductions-mature reserves/park (Rm)												
Valuation reductions-mineral rights (Rm)												
Valuation reductions-R15,000 threshold (Rm)												
Valuation reductions-public worship (Rm)												
Valuation reductions-other (Rm)												
<b>Total valuation reductions:</b>	2											
Total value used for rating (Rm)	6											
Total land value (Rm)	6											
Total value of improvements (Rm)	6											
Total market value (Rm)	6											
<b>Rating:</b>												
Average rate	3											
Rate revenue budget (R'000)												
Rate revenue expected to collect (R'000)												
Expected cash collection rate (%)	4											
Special rating areas (R'000)												
Rebates - ex emptions - indigent (R'000)												
Rebates - ex emptions - pensioners (R'000)												
Rebates - ex emptions - bona fide farm. (R'000)												
Rebates - ex emptions - other (R'000)												
Phase-in reductions/discounts (R'000)												
<b>Total rebates,exempt'ns,reduct'ns, discs (R'000)</b>												

DC3 Overberg - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)
<b>Budget Year 2026/27</b>												
<b>Valuation:</b>												
No. of properties												
No. of sectional title property values												
No. of unreasonably difficult properties s7(2)												
No. of supplementary valuations												
Supplementary valuation (Rm)												
No. of valuation roll amendments												
No. of objections by rate-payers												
No. of appeals by rate-payers												
No. of appeals by rate-payers finalised	5											
No. of successful objections	5											
No. of successful objections > 10%												
Estimated no. of properties not valued												
Years since last valuation (select)												
Frequency of valuation (select)												
Method of valuation used (select)												
Base of valuation (select)												
Phasing-in properties s21 (number)												
Combination of rating types used? (Y/N)												
Flat rate used? (Y/N)												
Is balance rated by uniform rate/variable rate?												
<b>Valuation reductions:</b>												
Valuation reductions-public infrastructure (Rm)												
Valuation reductions-nature reserves/park (Rm)												
Valuation reductions-mineral rights (Rm)												
Valuation reductions-R15,000 threshold (Rm)												
Valuation reductions-public worship (Rm)												
Valuation reductions-other (Rm)												
<b>Total valuation reductions:</b>	2											
Total value used for rating (Rm)	6											
Total land value (Rm)	6											
Total value of improvements (Rm)	6											
Total market value (Rm)	6											
<b>Rating:</b>												
Average rate	3											
Rate revenue budget (R '000)												
Rate revenue expected to collect (R'000)												
Expected cash collection rate (%)	4											
Special rating areas (R'000)												
Rebates, ex emptions - indigent (R'000)												
Rebates, ex emptions - pensioners (R'000)												
Rebates, ex emptions - bona fide farm. (R'000)												
Rebates, ex emptions - other (R'000)												
Phase-in reductions/discs (R'000)												
<b>Total rebates,exemptns,deductns,discs (R'000)</b>												



DC3 Overberg - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2022/23	2023/24	2024/25	Current Year 2025/26	2026/27 Medium Term Revenue & Expenditure Framework		
							Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>Property rates (rate in the Rand)</b>	1								
Residential properties Residential properties - vacant land Formal/informal settlements Small holdings Farm properties - used Farm properties - not used Industrial properties Business and commercial properties Communal land - residential Communal land - small holdings Communal land - farm property Communal land - business and commercial Communal land - other State-owned properties Municipal properties Public service infrastructure Privately owned towns serviced by the State State trust land Restitution and redistribution properties Protected areas National monuments properties									
<b>Property rates by usage:</b> Business and commercial properties Industrial properties Mining properties Residential properties Agricultural properties Public benefit organizations Public service purpose properties Public service infrastructure properties Vacant land Sport Clubs and Fields (Requ only) Sectional Title Buildings (Dokan/leth only)									
<b>Exemptions, reductions and rebates (Rands)</b>									
<b>Residential properties</b> R15 000 threshold rebate General residential rebate Indigent rebate or exemption Pensioners/social grants rebate or exemption Temporary relief rebate or exemption Bona fide farmers rebate or exemption			15 000	15 000	15 000	15 000	15 000	15 000	15 000
<b>Other rebates or exemptions</b>	2								
<b>Water tariffs</b>									
<b>Domestic</b> Basic charge/ fixed fee (Rands/month) Service point - vacant land (Rands/month) Water usage - flat rate tariff (c/kl) Water usage - life line tariff Water usage - Block 1 (c/kl) Water usage - Block 2 (c/kl) Water usage - Block 3 (c/kl) Water usage - Block 4 (c/kl) Water usage - Block 5 (c/kl) Water usage - Block 6 (c/kl)		(describe structure) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds)							
<b>Other</b>	2								
<b>Waste water tariffs</b>									
<b>Domestic</b> Basic charge/ fixed fee (Rands/month) Service point - vacant land (Rands/month) Waste water - flat rate tariff (c/kl) Volumetric charge - Block 1 (c/kl) Volumetric charge - Block 2 (c/kl) Volumetric charge - Block 3 (c/kl) Volumetric charge - Block 4 (c/kl)		(fill in structure) (fill in structure) (fill in structure) (fill in structure)							
<b>Other</b>	2								
<b>Electricity tariffs</b>									
<b>Domestic</b> Basic charge/ fixed fee (Rands/month) Service point - vacant land (Rands/month) FBE Life-line tariff - meter Life-line tariff - prepaid Flat rate tariff - meter (c/kwh) Flat rate tariff - prepaid(c/kwh) Meter - IBT Block 1 (c/kwh) Meter - IBT Block 2 (c/kwh) Meter - IBT Block 3 (c/kwh) Meter - IBT Block 4 (c/kwh) Meter - IBT Block 5 (c/kwh) Prepaid - IBT Block 1 (c/kwh) Prepaid - IBT Block 2 (c/kwh) Prepaid - IBT Block 3 (c/kwh) Prepaid - IBT Block 4 (c/kwh) Prepaid - IBT Block 5 (c/kwh)		(how is this targeted?) (describe structure) (describe structure) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds)							
<b>Other</b>	2								
<b>Waste management tariffs</b>									
<b>Domestic</b> Street cleaning charge Basic charge/ fixed fee 80l bin - once a week 250l bin - once a week									

DC3 Overberg - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2022/23	2023/24	2024/25	Current Year 2025/26	2026/27 Medium Term Revenue & Expenditure Framework		
							Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
							<b>Exemptions, reductions and rebates (Rands)</b> <i>(Insert lines as applicable)</i>		
<b>Water tariffs</b> <i>(Insert blocks as applicable)</i>									
<i>(fill in thresholds)</i> <i>(fill in thresholds)</i> <i>(fill in thresholds)</i> <i>(fill in thresholds)</i> <i>(fill in thresholds)</i> <i>(fill in thresholds)</i> <i>(fill in thresholds)</i> <i>(fill in thresholds)</i> <i>(fill in thresholds)</i>									
<b>Waste water tariffs</b> <i>(Insert blocks as applicable)</i>									
<i>(fill in structure)</i> <i>(fill in structure)</i> <i>(fill in structure)</i> <i>(fill in structure)</i> <i>(fill in structure)</i> <i>(fill in structure)</i> <i>(fill in structure)</i>									
<b>Electricity tariffs</b> <i>(Insert blocks as applicable)</i>									
<i>(fill in thresholds)</i> <i>(fill in thresholds)</i> <i>(fill in thresholds)</i> <i>(fill in thresholds)</i> <i>(fill in thresholds)</i> <i>(fill in thresholds)</i> <i>(fill in thresholds)</i> <i>(fill in thresholds)</i> <i>(fill in thresholds)</i> <i>(fill in thresholds)</i>									

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DC3 Overberg - Supporting Table SA14 Household bills

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27 % Incr.	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>Rand/cent</b>											
<b>Monthly Account for Household - 'Middle Income Range'</b>	1										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
<b>sub-total</b>		-	-	-	-	-	-	-	-	-	-
VAT on Services											
<b>Total large household bill:</b>		-	-	-	-	-	-	-	-	-	-
<b>% increase/-decrease</b>		-	-	-	-	-	-	-	-	-	-
<b>Monthly Account for Household - 'Affordable Range'</b>	2										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
<b>sub-total</b>		-	-	-	-	-	-	-	-	-	-
VAT on Services											
<b>Total small household bill:</b>		-	-	-	-	-	-	-	-	-	-
<b>% increase/-decrease</b>		-	-	-	-	-	-	-	-	-	-
<b>Monthly Account for Household - 'Indigent'</b>	3										
<b>Household receiving free basic services</b>											
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
<b>sub-total</b>		-	-	-	-	-	-	-	-	-	-
VAT on Services											
<b>Total small household bill:</b>		-	-	-	-	-	-	-	-	-	-
<b>% increase/-decrease</b>		-	-	-	-	-	-	-	-	-	-

DC3 Overberg - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>R thousand</b>										
<b>Investments</b>										
<b>Bank Repurchase Agreements</b>										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		87 936	77 585	71 742	63 618	49 804	49 804	52 603	43 838	35 024
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
Municipal Bonds		-	-	-	-	-	-	-	-	-
<b>Total Bank Repurchase Agreements</b>		<b>87 936 406</b>	<b>77 584 843</b>	<b>71 741 841</b>	<b>63 617 673</b>	<b>49 803 902</b>	<b>49 803 902</b>	<b>52 602 902</b>	<b>43 838 482</b>	<b>35 023 956</b>
<b>Bankers Acceptance Certificate</b>										
Investments		-	-	-	-	-	-	-	-	-
Bank Repurchase Agreements		-	-	-	-	-	-	-	-	-
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
<b>Total Bankers Acceptance Certificate</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Investments</b>		<b>87 936 406</b>	<b>77 584 843</b>	<b>71 741 841</b>	<b>63 617 673</b>	<b>49 803 902</b>	<b>49 803 902</b>	<b>52 602 902</b>	<b>43 838 482</b>	<b>35 023 956</b>

DC3 Overberg - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Final Year Forecast	Budget Year 2026/27	Budget Year 2027/28	Budget Year 2028/29
R thousand										
<b>Investments</b>										
Bank Repurchase Agreements										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		87 936	77 585	71 742	63 618	49 804	49 804	52 603	43 838	35 024
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
Municipal Bonds		-	-	-	-	-	-	-	-	-
<b>Total Bank Repurchase Agreements</b>		<b>87 936 406</b>	<b>77 584 843</b>	<b>71 741 841</b>	<b>63 617 673</b>	<b>49 803 902</b>	<b>49 803 902</b>	<b>52 602 902</b>	<b>43 838 482</b>	<b>35 023 956</b>
Bankers Acceptance Certificate										
Investments										
Bank Repurchase Agreements		-	-	-	-	-	-	-	-	-
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
<b>Total Bankers Acceptance Certificate</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Investments</b>		<b>87 936 406</b>	<b>77 584 843</b>	<b>71 741 841</b>	<b>63 617 673</b>	<b>49 803 902</b>	<b>49 803 902</b>	<b>52 602 902</b>	<b>43 838 482</b>	<b>35 023 956</b>

DC3 Overberg - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months						
<b>Parent municipality</b>								
Short Term Investments and bank balances				70 590	9 500	(40 338)	-	39 752
								-
								-
								-
<b>Municipality sub-total</b>				<b>70 590</b>		<b>(40 338)</b>	<b>-</b>	<b>39 752</b>
<b>Entities</b>								
								-
								-
								-
								-
<b>Entities sub-total</b>				<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>1</b>			<b>70 590</b>		<b>(40 338)</b>	<b>-</b>	<b>39 752</b>

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DC3 Overberg - Supporting Table SA17 Borrowing

Borrowing - Categorized by type R thousand	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>Borrowings</b>										
<b>Annuitly and Bullet Loans</b>										
Banks										
Development Bank of South Africa		11 112	6 519	1 377	7 820	32 120	32 120	47 703	45 683	38 763
Foreign Government and International Organisations										
General Public										
Infrastructure Finance Corporation										
Insurance Companies and Private Pension Funds										
Municipal Pension Funds										
Other Public Pension Funds										
Private Enterprises										
Public Corporations										
Public Investments Commissioners										
<b>Total Annuitly and Bullet Loans</b>		11 112	6 519	1 377	7 820	32 120	32 120	47 703	45 683	38 763
<b>Bankers Acceptance Certificate</b>										
Banks										
Development Bank of South Africa										
Foreign Government and International Organisations										
General Public										
Infrastructure Finance Corporation										
Insurance Companies and Private Pension Funds										
Municipal Pension Funds										
Other Public Pension Funds										
Private Enterprises										
Public Corporations										
Public Investments Commissioners										
<b>Total Bankers Acceptance Certificate</b>		-	-	-	-	-	-	-	-	-
<b>Concessionary Loan</b>										
<b>Derivative Financial Liability</b>										
Banks										
Development Bank of South Africa										
Foreign Government and International Organisations										
General Public										
Infrastructure Finance Corporation										
Insurance Companies and Private Pension Funds										
Municipal Pension Funds										
Other Public Pension Funds										
Private Enterprises										
Public Corporations										
Public Investments Commissioners										
<b>Total Derivative Financial Liability</b>		-	-	-	-	-	-	-	-	-
<b>Finance Lease Liability</b>										
Banks										
Development Bank of South Africa										
Foreign Government and International Organisations										
General Public										
Infrastructure Finance Corporation										
Insurance Companies and Private Pension Funds										
Municipal Pension Funds										
Other Public Pension Funds										
Private Enterprises										
Public Corporations										
Public Investments Commissioners										
<b>Total Finance Lease Liability</b>		112	-	-	-	-	-	-	-	-
<b>Government Loans</b>										
<b>Intercompany/Parent-subsidary Transactions</b>										
<b>Local Registered Stock</b>										
Banks										
Development Bank of South Africa										
Foreign Government and International Organisations										
General Public										
Infrastructure Finance Corporation										
Insurance Companies and Private Pension Funds										
Municipal Pension Funds										
Other Public Pension Funds										
Private Enterprises										
Public Corporations										
Public Investments Commissioners										
<b>Total Registered Stock</b>		-	-	-	-	-	-	-	-	-
<b>Marketable Bonds</b>										
Banks										
Development Bank of South Africa										
Foreign Government and International Organisations										
General Public										
Infrastructure Finance Corporation										
Insurance Companies and Private Pension Funds										
Municipal Pension Funds										
Other Public Pension Funds										
Private Enterprises										
Public Corporations										
Public Investments Commissioners										
<b>Total Marketable Bonds</b>		-	-	-	-	-	-	-	-	-
<b>Non-annuity Loans</b>										
Banks										
Development Bank of South Africa										
Foreign Government and International Organisations										
General Public										
Infrastructure Finance Corporation										
Insurance Companies and Private Pension Funds										
Municipal Pension Funds										
Other Public Pension Funds										
Private Enterprises										
Public Corporations										
Public Investments Commissioners										
<b>Total Non-annuity Loans</b>		-	-	-	-	-	-	-	-	-
<b>Non-marketable Bonds</b>										
Banks										
Foreign Government and International Organisations										
General Public										
Municipal Pension Funds										
Other Public Pension Funds										
Private Enterprises										
Public Corporations										
Public Investments Commissioners										
<b>Total Non-marketable Bonds</b>		-	-	-	-	-	-	-	-	-
<b>PPP Liabilities</b>										
Banks										
Development Bank of South Africa										
Foreign Government and International Organisations										
General Public										
Infrastructure Finance Corporation										
Insurance Companies and Private Pension Funds										
Municipal Pension Funds										
Other Public Pension Funds										
Private Enterprises										
Public Corporations										
Public Investments Commissioners										
<b>Total PPP Liabilities</b>		-	-	-	-	-	-	-	-	-
<b>Securities</b>										
Banks										
Development Bank of South Africa										
Foreign Government and International Organisations										
General Public										
Infrastructure Finance Corporation										
Insurance Companies and Private Pension Funds										
Municipal Pension Funds										
Other Public Pension Funds										
Private Enterprises										
Public Corporations										
Public Investments Commissioners										
<b>Total Securities</b>		-	-	-	-	-	-	-	-	-
<b>Interest Rate Swaps</b>										
<b>Total Borrowings</b>	1	11 225	6 519	1 377	7 820	32 120	32 120	47 703	45 683	38 763



DC3 Overberg - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	AUDITED Outcome	AUDITED Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year '21 2027/28	Budget Year '22 2028/29
<b>RECEIPTS</b>	1.2									
<b>Operating</b>										
<b>National Government</b>										
<b>Monetary Allocations</b>										
Local Government Equitable Share		81 486	84 437	86 644	88 359	88 359	88 359	89 783	91 704	96 106
Finance Management		1 000	1 000	1 000	1 000	1 000	1 000	1 200	1 300	1 500
EPWP Incentive		1 123	1 192	1 265	1 500	1 500	1 500	1 534		
Rural Roads Asset Management Grant		2 835	2 846	2 082	3 107	3 107	3 107	3 249	3 385	3 514
Municipal Systems Improvement Grant (MSIG)		-	-	-	-	-	-	-	-	-
<b>Total Monetary Allocations</b>		86 444	89 475	90 991	93 966	93 966	93 966	95 766	98 399	101 120
<b>Total Operating/National Government</b>		86 444	89 475	90 991	93 966	93 966	93 966	95 766	98 399	101 120
<b>Provincial Government</b>										
<b>Monetary Allocations</b>										
CDW Operational Support Grant		56	57	57	57	57	57	59	59	59
Human Capacity Building Grant		800	700		1 000	1 000	1 000	4 229	1 302	1 406
Fire Safety Plan		938	1 500	1 000	3 775	3 775	3 775			
Joint District and Metro Approach Grant		1 000								
Local Government Public Employment support Grant		-								
Municipal Service Delivery and Capacity Building Grant		-		700						
Financial Management Capacity Grant		-		2 950						
Municipal Service Delivery and Capacity Building Grant - Fire		-		52						
Grant Intervention		300	100							
Load Shedding Mitigation		99								
MUNICIPAL WATER RESILIENCE GRANT			60	176						
<b>Total Monetary Allocations</b>		3 193	2 497	4 935	4 832	4 832	4 832	4 288	1 361	1 465
<b>Total Operating/Provincial Government</b>		3 193	2 497	4 935	4 832	4 832	4 832	4 288	1 361	1 465
<b>District Municipalities</b>										
<b>Monetary Allocations</b>										
Other transfers/grants (insert description)										
<b>Total Monetary Allocations</b>		-	-	-	-	-	-	-	-	-
<b>Allocations In-kind</b>										
Other transfers/grants (insert description)										
<b>Total Allocations In-kind</b>		-	-	-	-	-	-	-	-	-
<b>Total Operating/District Municipalities</b>		-	-	-	-	-	-	-	-	-
<b>Other Grant Providers</b>										
<b>Monetary Allocations</b>										
SETA								300	300	300
<b>Total Monetary Allocations</b>		-	-	-	-	-	-	300 000	300 000	300 000
<b>Allocations In-kind</b>										
(insert description)										
<b>Total Allocations In-kind</b>		-	-	-	-	-	-	-	-	-
<b>Total Operating/Other Grant Providers</b>		-	-	-	-	-	-	300	300	300
<b>Total Operating</b>	5.1	88 637	91 972	95 926	98 798	98 798	98 798	100 353 656	98 060 209	102 884 836
<b>Capital</b>										
<b>National Government</b>										
<b>Monetary Allocations</b>										
(insert description)										
<b>Total Monetary Allocations</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital/National Government</b>		-	-	-	-	-	-	-	-	-
<b>Provincial Government</b>										
<b>Monetary Allocations</b>										
Fire Safety Plan		562								
Municipal Service Delivery and Capacity Building Grant - Fire		-								
Fire Service Capacity Building Grant			500	1 448	500	500	500			
Load Shedding Mitigation		1 501								
MUNICIPAL WATER RESILIENCE GRANT			1 120							
<b>Total Monetary Allocations</b>		2 063	1 620	3 072	500	500	500	-	-	-
<b>Allocations In-kind</b>										
Other transfers/grants (insert description)										
<b>Total Allocations In-kind</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital/Provincial Government</b>		2 063	1 620	3 072	500	500	500	-	-	-
<b>District Municipalities</b>										
<b>Monetary Allocations</b>										
Other transfers/grants (insert description)										
<b>Total Monetary Allocations</b>		-	-	-	-	-	-	-	-	-
<b>Allocations In-kind</b>										
Other transfers/grants (insert description)										
<b>Total Allocations In-kind</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital/District Municipalities</b>		-	-	-	-	-	-	-	-	-
<b>Other Grant Providers</b>										
<b>Monetary Allocations</b>										
(insert description)										
<b>Total Monetary Allocations</b>		-	-	-	-	-	-	-	-	-
<b>Allocations In-kind</b>										
(insert description)										
<b>Total Allocations In-kind</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital/Other Grant Providers</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital</b>	5	2 063	1 620	3 072	500	500	500	-	-	-
<b>TOTAL RECEIPTS OF TRANSFERS AND GRANTS</b>		91 700	93 592	98 998	99 298	99 298	99 298	100 354	98 060	102 885

DC3 Overberg - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		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</b>										
<b>National Government</b>										
<b>Monetary Allocations</b>										
Local Government Equitable Share		81 466	84 437	86 644	88 359	88 359	88 359	89 783	91 704	96 106
Finance Management		1 000	1 000	1 000	1 000	1 000	1 000	1 200	1 300	1 500
EPWP Incentive		1 123	1 192	1 265	1 500	1 500	1 500	1 534		
Rural Roads Asset Management Grant		2 822	1 021	-	3 107	3 107	3 107	3 249	3 395	3 514
Municipal Systems Improvement Grant (MSIG)		-	-	-	-	-	-	-	-	-
<b>Total Monetary Allocations</b>		<b>86 431</b>	<b>87 650</b>	<b>88 909</b>	<b>93 966</b>	<b>93 966</b>	<b>93 966</b>	<b>95 766</b>	<b>96 399</b>	<b>101 120</b>
<b>Total National Government</b>		<b>86 431</b>	<b>87 650</b>	<b>88 909</b>	<b>93 966</b>	<b>93 966</b>	<b>93 966</b>	<b>95 766</b>	<b>96 399</b>	<b>101 120</b>
<b>Provincial Government</b>										
<b>Monetary Allocations</b>										
CDW Operational Support Grant		113	54	60	57	57	57	59	59	59
Human Capacity Building Grant		688	446	-	1 000	1 000	1 000	4 229	1 302	1 406
Fire Safety Plan		1 365	1 668	1 036	3 775	3 775	3 775	-	-	-
Joint District and Metro Approach Grant		883	500	-	-	-	-	-	-	-
Local Government Public Employment support Grant		-	-	-	-	-	-	-	-	-
Municipal Service Delivery and Capacity Building Grant		-	-	176	-	-	-	-	-	-
Financial Management Capacity Grant		-	-	1 050	1 277	1 277	1 277	-	-	-
Municipal Service Delivery and Capacity Building Grant - Fire		-	-	52	524	524	524	-	-	-
Grant Intervention		124	96	79	-	-	-	-	-	-
Load Shedding Mitigation		99	2	2	-	-	-	-	-	-
MUNICIPAL WATER RESILIENCE GRANT		-	80	176	-	-	-	-	-	-
<b>Total Monetary Allocations</b>		<b>3 293</b>	<b>2 846</b>	<b>2 629</b>	<b>4 832</b>	<b>6 633</b>	<b>6 633</b>	<b>4 288</b>	<b>1 361</b>	<b>1 465</b>
<b>Total Provincial Government</b>		<b>3 293</b>	<b>2 846</b>	<b>2 629</b>	<b>4 832</b>	<b>6 633</b>	<b>6 633</b>	<b>4 288</b>	<b>1 361</b>	<b>1 465</b>
<b>District Municipalities</b>										
<b>Monetary Allocations</b>										
Other transfers/grants (insert description)		-	-	-	-	-	-	-	-	-
<b>Total Monetary Allocations</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Allocations In-kind</b>										
Other transfers/grants (insert description)		-	-	-	-	-	-	-	-	-
<b>Total Allocations In-kind</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Operating/District Municipalities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Grant Providers</b>										
<b>Monetary Allocations</b>										
SETA		-	-	-	-	-	300	300	300	300
<b>Total Monetary Allocations</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300 000</b>	<b>300 000</b>	<b>300 000</b>	<b>300 000</b>
<b>Allocations In-kind</b>										
Other transfers/grants (insert description)		-	-	-	-	-	-	-	-	-
<b>Total Allocations In-kind</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Operating/Other Grant Providers</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300 000</b>	<b>300 000</b>	<b>300 000</b>	<b>300 000</b>
<b>Total operating expenditure of Transfers and Grants</b>		<b>89 723</b>	<b>90 496</b>	<b>91 538</b>	<b>98 798</b>	<b>100 599</b>	<b>100 599</b>	<b>100 354</b>	<b>98 060</b>	<b>102 885</b>
<b>Capital</b>										
<b>National Government</b>										
<b>Monetary Allocations</b>										
Other transfers/grants (insert description)		-	-	-	-	-	-	-	-	-
<b>Total Monetary Allocations</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total National Government</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provincial Government</b>										
<b>Monetary Allocations</b>										
Fire Safety Plan		562	-	-	-	-	-	-	-	-
Municipal Service Delivery and Capacity Building Grant - Fire		-	-	-	500	500	500	-	-	-
Fire Service Capacity Building Grant		-	-	1 855	-	-	-	-	-	-
Load Shedding Mitigation		658	842	-	-	-	-	-	-	-
MUNICIPAL WATER RESILIENCE GRANT		-	1 120	1 176	-	448	448	-	-	-
<b>Total Monetary Allocations</b>		<b>1 219</b>	<b>1 961</b>	<b>3 031</b>	<b>500</b>	<b>948</b>	<b>948</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Provincial Government</b>		<b>1 219</b>	<b>1 961</b>	<b>3 031</b>	<b>500</b>	<b>948</b>	<b>948</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>District Municipalities</b>										
<b>Monetary Allocations</b>										
Other transfers/grants (insert description)		-	-	-	-	-	-	-	-	-
<b>Total Monetary Allocations</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Allocations In-kind</b>										
Other transfers/grants (insert description)		-	-	-	-	-	-	-	-	-
<b>Total Allocations In-kind</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital/District Municipalities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Grant Providers</b>										
<b>Monetary Allocations</b>										
Other transfers/grants (insert description)		-	-	-	-	-	-	-	-	-
<b>Total Monetary Allocations</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Allocations In-kind</b>										
Other transfers/grants (insert description)		-	-	-	-	-	-	-	-	-
<b>Total Allocations In-kind</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital/Other Grant Providers</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total capital expenditure of Transfers and Grants</b>		<b>1 219</b>	<b>1 961</b>	<b>3 031</b>	<b>500</b>	<b>948</b>	<b>948</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>90 943</b>	<b>92 458</b>	<b>94 569</b>	<b>99 298</b>	<b>101 547</b>	<b>101 547</b>	<b>100 054</b>	<b>97 760</b>	<b>102 585</b>

DC3 Overberg - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		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>Operating transfers and grants:</b>										
<b>Monetary Allocations</b>										
Balance unspent at beginning of the year		89	102	1 927	1 927	2 082	2 082	2 082	2 082	2 082
Current year receipts		86 444	89 475	90 991	93 966	93 966	93 966	95 766	96 399	101 120
Repayment of grants				1 927						
<b>Conditions met - transferred to revenue</b>		<b>86 431</b>	<b>87 650</b>	<b>88 909</b>	<b>93 966</b>	<b>93 966</b>	<b>93 966</b>	<b>95 766</b>	<b>96 399</b>	<b>101 120</b>
Conditions still to be met - transferred to liabilities		102	1 927	2 082	1 927	2 082	2 082	2 082	2 082	2 082
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		3 187	2 979	1 158	601	2 931	2 931	1 129	1 129	1 129
Current year receipts		3 193	2 497	4 935	4 832	4 832	4 832	4 288	1 361	1 465
Seta Balance		-	-	(66)	-	-	-	-	-	-
Repayment of grants		109	1 472	600						
<b>Conditions met - transferred to revenue</b>		<b>3 293</b>	<b>2 846</b>	<b>2 629</b>	<b>4 832</b>	<b>6 633</b>	<b>6 633</b>	<b>4 288</b>	<b>1 361</b>	<b>1 465</b>
Conditions still to be met - transferred to liabilities		2 979	1 158	2 931	601	1 129	1 129	1 129	1 129	1 129
<b>District Municipality:</b>										
Balance unspent at beginning of the year										
Current year receipts										
<b>Conditions met - transferred to revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities										
<b>Other grant providers:</b>										
Balance unspent at beginning of the year										
Current year receipts								300	300	300
<b>Conditions met - transferred to revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300</b>	<b>300</b>	<b>300</b>
Conditions still to be met - transferred to liabilities										
<b>Total operating transfers and grants revenue</b>		<b>89 723</b>	<b>90 496</b>	<b>91 538</b>	<b>98 798</b>	<b>100 599</b>	<b>100 599</b>	<b>100 354</b>	<b>98 060</b>	<b>102 885</b>
<b>Total operating transfers and grants - CTBM</b>	2	<b>3 080</b>	<b>3 085</b>	<b>5 012</b>	<b>2 527</b>	<b>3 211</b>	<b>3 211</b>	<b>3 211</b>	<b>3 211</b>	<b>3 211</b>
<b>Capital transfers and grants:</b>										
<b>Monetary Allocations</b>										
Balance unspent at beginning of the year		-								
Current year receipts										
<b>Conditions met - transferred to revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities										
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		(2)	842	500		540	540	92	92	92
Current year receipts		2 063	1 620	3 072	500	500	500	-	-	-
<b>Conditions met - transferred to revenue</b>		<b>1 219</b>	<b>1 961</b>	<b>3 031</b>	<b>500</b>	<b>948</b>	<b>948</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities		842	500	540		92	92	92	92	92
<b>District Municipality:</b>										
Balance unspent at beginning of the year										
Current year receipts										
<b>Conditions met - transferred to revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities										
<b>Other grant providers:</b>										
Balance unspent at beginning of the year										
Current year receipts										
<b>Conditions met - transferred to revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities										
<b>Total capital transfers and grants revenue</b>		<b>1 219</b>	<b>1 961</b>	<b>3 031</b>	<b>500</b>	<b>948</b>	<b>948</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total capital transfers and grants - CTBM</b>	2	<b>842</b>	<b>500</b>	<b>540</b>	<b>-</b>	<b>92</b>	<b>92</b>	<b>92</b>	<b>92</b>	<b>92</b>
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		<b>90 943</b>	<b>92 458</b>	<b>94 569</b>	<b>99 298</b>	<b>101 547</b>	<b>101 547</b>	<b>100 354</b>	<b>98 060</b>	<b>102 885</b>
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		<b>3 922</b>	<b>3 585</b>	<b>5 553</b>	<b>2 527</b>	<b>3 303</b>	<b>3 303</b>	<b>3 303</b>	<b>3 303</b>	<b>3 303</b>

OVERBERG DISTRICT MUNICIPALITY  
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DC3 Overberg - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>Monetary Transfers to other municipalities</b>											
<i>District Municipalities</i>	1										
<b>Total Monetary Transfers To Municipalities:</b>		-	-	-	-	-	-	-	-	-	-
<b>Monetary Transfers to Entities/Other External Mechanisms</b>											
<i>Municipal Entities</i>	2										
<b>Total Monetary Transfers To Entities/Ems'</b>		-	-	-	-	-	-	-	-	-	-
<b>Monetary Transfers to other Organs of State</b>											
<i>Departmental Agencies and Accounts</i> <i>Provincial Government</i>	3										
<b>Total Monetary Transfers To Other Organs Of State:</b>		-	-	-	-	-	-	-	-	-	-
<b>Monetary Transfers to Organisations</b>											
<i>Bursaries</i>		300	200	74	-	-	-	-	-	-	-
<i>Fencing</i>		652	875	1 089	1 000	895	895	895	-	-	-
<i>Other Municipalities and Organisations</i>		859	1 225	-	-	-	-	-	-	-	-
<i>TASK Settlement</i>		-	-	3 811	-	-	-	-	-	-	-
<b>Total Monetary Transfers To Organisations</b>		1 811	2 300	4 973	1 000	895	895	895	-	-	-
<b>Monetary Transfers to Groups of Individuals</b>											
<i>Households</i>											
<b>Total Monetary Transfers To Groups Of Individuals:</b>		-	-	-	-	-	-	-	-	-	-
<b>TOTAL Monetary TRANSFERS AND GRANTS</b>	6	1 811	2 300	4 973	1 000	895	895	895	-	-	-
<b>In-Kind Transfers to other municipalities</b>											
<i>District Municipalities</i>	1										
<b>Total In-Kind Transfers To Municipalities:</b>		-	-	-	-	-	-	-	-	-	-
<b>In-Kind Transfers to Entities/Other External Mechanisms</b>											
<i>Municipal Entities</i>	2										
<b>Total In-Kind Transfers To Entities/Ems'</b>		-	-	-	-	-	-	-	-	-	-
<b>In-Kind Transfers to other Organs of State</b>											
<i>Departmental Agencies and Accounts</i> <i>Provincial Government</i>	3										
<b>Total In-Kind Transfers To Other Organs Of State:</b>		-	-	-	-	-	-	-	-	-	-
<b>In-Kind Grants to Organisations</b>											
<i>Foreign Government and International Organisations</i> <i>Higher Educational Institutions</i> <i>Non-Profit Institutions</i> <i>Private Enterprises</i> <i>Public Corporations</i>	4										
<b>Total In-Kind Grants To Organisations</b>		-	-	-	-	-	-	-	-	-	-
<b>Groups of Individuals</b>											
<i>Households</i>	5										
<b>Total In-Kind Grants To Groups Of Individuals:</b>		-	-	-	-	-	-	-	-	-	-
<b>TOTAL In-Kind TRANSFERS AND GRANTS</b>		-	-	-	-	-	-	-	-	-	-
<b>TOTAL TRANSFERS AND GRANTS</b>	6	1 811	2 300	4 973	1 000	895	895	895	-	-	-



<b>Board Members of Entities</b>									
<b>Salaries and Allowances</b>									
Basic Salary									
Bonuses									
Allowance									
Accommodation, Travel and Incidental									
Cellular and Telephone									
Housing Benefits									
Non-pensionable									
Travel or Motor Vehicle									
Voluntary Work									
Total Allowance	-	-	-	-	-	-	-	-	-
<b>Service Related Benefits</b>									
Acting									
Bonus									
Danger Allowance									
Entertainment									
Fire Brigade									
In-kind Benefits									
Leave Pay									
Lifeguard/Duty Squads									
Long Service Award									
Overtime									
Scarcity									
Standby Allowance									
Tools Allowance									
Uniform/Special/Protective Clothing									
Leave gratuity									
Long Term Service Award									
Total Service Related Benefits	-	-	-	-	-	-	-	-	-
<b>Total Salaries and Allowances</b>									
<b>Social Contributions</b>									
Bargaining Council									
Group Life Insurance									
Medical									
Pension									
Unemployment Insurance									
Total Social Contributions	-	-	-	-	-	-	-	-	-
<b>Post-retirement Benefit</b>									
Medical									
Other Benefits									
Pension									
Total Post-retirement Benefit	-	-	-	-	-	-	-	-	-
Costs Capitalised to PPE									
Sub Total - Board Members of Entities	-	-	-	-	-	-	-	-	-
% Increase									
<b>Senior Managers of Entities</b>									
<b>Salaries and Allowances</b>									
Basic Salary									
Bonuses									
Allowance									
Accommodation, Travel and Incidental									
Cellular and Telephone									
Housing Benefits									
Non-pensionable									
Travel or Motor Vehicle									
Voluntary Work									
Total Allowance	-	-	-	-	-	-	-	-	-
<b>Service Related Benefits</b>									
Acting									
Bonus									
Danger Allowance									
Entertainment									
Fire Brigade									
In-kind Benefits									
Leave Pay									
Lifeguard/Duty Squads									
Long Service Award									
Overtime									
Scarcity									
Standby Allowance									
Tools Allowance									
Uniform/Special/Protective Clothing									
Leave gratuity									
Long Term Service Award									
Total Service Related Benefits	-	-	-	-	-	-	-	-	-
<b>Total Salaries and Allowances</b>									
<b>Social Contributions</b>									
Bargaining Council									
Group Life Insurance									
Medical									
Pension									
Unemployment Insurance									
Total Social Contributions	-	-	-	-	-	-	-	-	-
<b>Post-retirement Benefit</b>									
Medical									
Other Benefits									
Pension									
Total Post-retirement Benefit	-	-	-	-	-	-	-	-	-
Costs Capitalised to PPE									
Sub Total - Senior Managers of Entities	-	-	-	-	-	-	-	-	-
% Increase									
<b>Other Staff of Entities</b>									
<b>Salaries and Allowances</b>									
Basic Salary									
Bonuses									
Allowance									
Accommodation, Travel and Incidental									
Cellular and Telephone									
Housing Benefits									
Non-pensionable									
Travel or Motor Vehicle									
Voluntary Work									
Total Allowance	-	-	-	-	-	-	-	-	-
<b>Service Related Benefits</b>									
Acting									
Bonus									
Danger Allowance									
Entertainment									
Fire Brigade									
In-kind Benefits									
Leave Pay									
Lifeguard/Duty Squads									
Long Service Award									
Overtime									
Scarcity									
Standby Allowance									
Tools Allowance									
Uniform/Special/Protective Clothing									
Leave gratuity									
Long Term Service Award									
Total Service Related Benefits	-	-	-	-	-	-	-	-	-
<b>Total Salaries and Allowances</b>									
<b>Social Contributions</b>									
Bargaining Council									
Group Life Insurance									
Medical									
Pension									
Unemployment Insurance									
Total Social Contributions	-	-	-	-	-	-	-	-	-
<b>Post-retirement Benefit</b>									
Medical									
Other Benefits									
Pension									
Total Post-retirement Benefit	-	-	-	-	-	-	-	-	-
Costs Capitalised to PPE									
Sub Total - Other Staff of Entities	-	-	-	-	-	-	-	-	-
% Increase									
<b>Total Municipal Entities</b>									
TOTAL SALARY, ALLOWANCES & BENEFITS	140 610	152 321	167 721	180 200	179 388	178 389	192 461	184 971	131 980
% Increase		8.3%	10.1%	7.4%	(0.5%)	-	7.3%	(3.9%)	(28.8%)
<b>TOTAL MANAGERS AND STAFF</b>									
	57	124 413	143 338	160 838	172 084	172 252	172 283	185 829	132 072





DC3 Overberg - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers Number	Ref	2024/25			Current Year 2025/26			Budget Year 2026/27		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>										
Councillors (Political Office Bearers plus Other Councillors)		23	10	13	23	10	13	23	10	13
Board Members of municipal entities	4									
<b>Municipal employees</b>	5									
Municipal Manager and Senior Managers	3	4	3	-	4	4	4	4	4	-
Other Managers	7	10	10	-	11	11	-	11	11	-
Professionals		16	13	1	24	21	-	24	24	-
Finance		6	5	-	6	5	-	6	6	-
Spatial/town planning										
Information Technology		1	1	-	1	1	-	1	1	-
Roads		5	4	1	5	4	-	5	5	
Electricity										
Water										
Sanitation										
Refuse										
Other		4	3	-	12	11	-	12	12	
Technicians		337	322	6	324	301	7	324	316	7
Finance		16	13	3	16	15	-	16	16	
Spatial/town planning										
Information Technology		1	1	1	1	1	-	1	1	
Roads		227	223	-	228	216	-	228	224	
Electricity										
Water										
Sanitation										
Refuse										
Other		93	85	2	79	69	7	79	75	7
Clerks (Clerical and administrative)		28	27	4	28	26	7	28	28	7
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators		6	6	-	6	4	-	6	5	
Elementary Occupations										
<b>TOTAL PERSONNEL NUMBERS</b>	9	424	391	24	420	377	31	420	398	27
% Increase					(0.9%)	(3.6%)	29.2%	-	5.6%	(12.9%)
<b>Total municipal employees headcount</b>	6, 10		391			377			398	
Finance personnel headcount	8, 10	24	21	3	24	22	3	24	23	3
Human Resources personnel headcount	8, 10	7	7	1	7	7	1	7	7	

OVERBERG DISTRICT MUNICIPALITY  
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DC3 Overberg - Supporting Table SA25 Budgeted monthly revenue and expenditure

Ref	Description	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework			
		Budget Year 2026/27												Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29	
		July	August	Sept	October	November	December	January	February	March	April	May	June	2026/27	+1 2027/28	+2 2028/29	
	<b>Revenue</b>																
	Exchange Revenue																
	Service charges - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Service charges - Water	83	83	83	83	83	83	83	83	83	83	83	990	1 059	1 133		
	Service charges - Waste Water Management	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	20 150	21 951	22 854		
	Service charges - Waste Management	13 153	13 153	13 153	13 153	13 153	13 153	13 153	13 153	13 153	13 153	13 153	157 842	130 358	24 794		
	Sales of Goods and Rendering of Services	1 217	1 217	1 217	1 217	1 217	1 217	1 217	1 217	1 217	1 217	1 217	-	-	-		
	Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Interest earned from Receivables	29	29	29	29	29	29	29	29	29	29	29	354	378	404		
	Interest earned from Current and Non Current Assets	792	792	792	792	792	792	792	792	792	792	792	9 500	9 500	9 500		
	Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Rent on Land	1 481	1 481	1 481	1 481	1 481	1 481	1 481	1 481	1 481	1 481	1 481	17 777	19 541	20 906		
	Rent from Fixed Assets	128	128	128	128	128	128	128	128	128	128	128	1 531	2 000	2 200		
	Licences or Permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Special rating levies	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Construction Contract Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Development Charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Operational Revenue	147	147	147	147	147	147	147	147	147	147	147	1 761	2 441	2 632		
	Non-Exchange Revenue																
	Property rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Licences or permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Transfer and subsidies - Operational	30 515	631	631	631	30 515	631	631	631	631	631	631	97 224	97 931	102 770		
	Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Fuel Levy	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Operational Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Gains on disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Other Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	<b>Total Revenue (excluding capital transfers and contributions)</b>	49 224	19 340	19 340	19 340	49 224	19 340	19 340	19 340	19 340	19 340	19 340	308 229	288 488	195 995		
	<b>Expenditure</b>																
	Employee related costs	14 580	14 580	14 580	14 580	14 580	14 580	14 580	14 580	14 580	14 580	14 580	165 039	177 066	123 572		
	Remuneration of councillors	619	619	619	619	619	619	619	619	619	619	619	7 423	7 905	8 419		
	Bulk purchases - electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Inventory consumed	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	46 455	35 077	4 400		
	Debt impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Depreciation, amortisation and impairment	404	404	404	404	404	404	404	404	404	404	404	100	100	100		
	Interest, Dividends and Rent on Land	121	121	121	121	121	121	121	121	121	121	121	1 447	1 436	1 219		
	Contracted services	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	34 759	31 308	26 632		
	Transfers and subsidies	83	83	83	83	83	83	83	83	83	83	83	1 000	799	-		
	Irrecoverable debts written off	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Operational cost	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	41 750	39 146	28 328		
	Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Other Losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	<b>Total Expenditure</b>	26 054	26 054	26 054	26 054	26 054	26 054	26 054	26 054	26 054	26 054	26 054	322 823	297 667	195 518		
	<b>Surplus/(Deficit)</b>	23 171	(6 713)	(6 713)	(6 713)	13 091	(6 713)	(6 713)	(6 713)	(6 713)	(6 713)	(6 713)	(14 594)	(11 218)	77		
	Transfers and subsidies - capital (monetary allocations)	233	233	233	233	233	233	233	233	233	233	233	2 799	-	-		
	Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	23 404	(6 480)	(6 480)	(6 480)	13 324	(6 480)	(6 480)	(6 480)	(6 480)	(6 480)	(6 480)	(11 795)	(11 218)	77		
	Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	<b>Surplus/(Deficit) after income tax</b>	23 404	(6 480)	(6 480)	(6 480)	13 324	(6 480)	(6 480)	(6 480)	(6 480)	(6 480)	(6 480)	(11 795)	(11 218)	77		
	Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	<b>Surplus/(Deficit) attributable to municipality</b>	23 404	(6 480)	(6 480)	(6 480)	13 324	(6 480)	(6 480)	(6 480)	(6 480)	(6 480)	(6 480)	(11 795)	(11 218)	77		
	Share of Surplus/Deficit attributable to Associate Incompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	<b>Surplus/(Deficit) for the year</b>	23 404	(6 480)	(6 480)	(6 480)	13 324	(6 480)	(6 480)	(6 480)	(6 480)	(6 480)	(6 480)	(11 795)	(11 218)	77		





DC3 Overberg - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

R thousand	Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework			
			July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29	
			1	<b>Multi-year expenditure to be appropriated</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 1 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 2 - Management Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 3 - Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 4 - Finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 5 - Community Services	1 733	1 733	1 733	1 733	1 733	1 733	1 733	1 733	1 733	1 733	1 733	1 733	1 733	20 800	2 900	-	-
	<b>Capital multi-year expenditure sub-total</b>	1 733	1 733	1 733	1 733	1 733	1 733	1 733	1 733	1 733	1 733	1 733	1 733	1 733	20 800	2 900	-	-
2	<b>Single-year expenditure to be appropriated</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 1 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 2 - Management Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 3 - Corporate Services	55	55	55	55	55	55	55	55	55	55	55	55	55	663	400	700	-
	Vote 4 - Finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 5 - Community Services	584	584	584	584	584	584	584	584	584	584	584	584	584	7 011	880	3 150	-
	<b>Capital single-year expenditure sub-total</b>	640	640	640	640	640	640	640	640	640	640	640	640	640	7 674	1 280	3 850	-
2	<b>Total Capital Expenditure</b>	2 373	2 373	2 373	2 373	2 373	2 373	2 373	2 373	2 373	2 373	2 373	2 373	2 373	28 474	4 180	3 850	-

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DC3 Overberg - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
													Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
	July	August	Sept.	October	November	December	January	February	March	April	May	June	2026/27	+1 2027/28	+2 2028/29
<b>Cash Receipts By Source</b>															
Property rates															
Service charges - electricity revenue	83	83	83	83	83	83	83	83	83	83	83	83	890	1 059	1 133
Service charges - water revenue															
Service charges - sanitation revenue	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	1 679	20 150	21 561	22 854	
Service charges - refuse revenue															
Rental of facilities and equipment	1 473	1 473	1 473	1 473	1 473	1 473	1 473	1 473	1 473	1 473	1 473	17 677	19 441	20 805	
Interest earned - external investments	792	792	792	792	792	792	792	792	792	792	792	9 500	9 500	9 500	
Interest earned - outstanding debtors	29	29	29	29	29	29	29	29	29	29	29	354	378	404	
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses and permits	128	128	128	128	128	128	128	128	128	128	128	1 551	2 000	2 200	
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	32 408	-	-	-	32 408	-	-	-	-	-	-	-	87 224	87 931	102 770
Other revenue	13 300	13 300	13 300	13 300	13 300	13 300	13 300	13 300	13 300	13 300	13 300	155 603	132 799	27 427	
<b>Cash Receipts by Source</b>	<b>49 892</b>	<b>17 484</b>	<b>17 484</b>	<b>17 484</b>	<b>49 892</b>	<b>17 484</b>	<b>17 484</b>	<b>17 484</b>	<b>17 484</b>	<b>17 484</b>	<b>17 484</b>	<b>307 929</b>	<b>284 669</b>	<b>187 095</b>	
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)															
Transfers and subsidies - capital (monetary allocations) (Nal/ Prov/ Deparmt Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)															
Proceeds on Disposal of Fixed and Intangible Assets															
Short term loans															
Borrowing long term/financing					20 800										
Increase (decrease) in consumer deposits															
Val Control (receipts)															
Decrease (increase) in non-current receivables															
Decrease (increase) in non-current investments															
Insurance Refund - Capital															
Interest on Short Term Investment (Greater than 90 days) and Long Term Investments															
<b>Total Cash Receipts by Source</b>	<b>49 892</b>	<b>17 484</b>	<b>17 484</b>	<b>17 484</b>	<b>70 692</b>	<b>17 484</b>	<b>17 484</b>	<b>17 484</b>	<b>17 484</b>	<b>17 484</b>	<b>17 484</b>	<b>310 828</b>	<b>287 569</b>	<b>187 095</b>	
<b>Cash Payments by Type</b>															
Employee related costs	14 131	14 131	14 131	14 131	28 262	14 131	14 131	14 131	14 131	14 131	14 131	183 700	174 516	120 854	
Remuneration of councillors	619	619	619	619	619	619	619	619	619	619	619	7 423	7 905	8 419	
Finance charges	38	38	38	38	38	38	38	38	38	38	38	460	483	507	
Bulk purchases - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Acquisition inventory - water and other inventory	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	3 871	46 455	35 077	4 400	
Contracted services	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	2 897	34 759	31 308	26 632	
Transfers and subsidies - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers and subsidies - other	83	83	83	83	83	83	83	83	83	83	83	1 000	799	-	
Other expenditure	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	41 750	39 146	26 326	
<b>Cash Payments by Type</b>	<b>25 118</b>	<b>25 118</b>	<b>25 118</b>	<b>25 118</b>	<b>39 248</b>	<b>25 118</b>	<b>25 118</b>	<b>25 118</b>	<b>25 118</b>	<b>25 118</b>	<b>25 118</b>	<b>315 547</b>	<b>289 234</b>	<b>187 139</b>	
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	2 373	2 373	2 373	2 373	2 373	2 373	2 373	2 373	2 373	2 373	2 373	28 474	4 180	3 660	
Retention (Capital)															
Repayment of borrowing	383	383	383	383	383	383	383	383	383	383	383	4 595	2 920	4 920	
Other Cash Flows/Payments															
<b>Total Cash Payments by Type</b>	<b>27 874</b>	<b>27 874</b>	<b>27 874</b>	<b>27 874</b>	<b>42 005</b>	<b>27 874</b>	<b>27 874</b>	<b>27 874</b>	<b>27 874</b>	<b>27 874</b>	<b>27 874</b>	<b>348 616</b>	<b>296 334</b>	<b>195 909</b>	
<b>NET INCREASE/DECREASE IN CASH HELD</b>	<b>22 018</b>	<b>(10 390)</b>	<b>(10 390)</b>	<b>(10 390)</b>	<b>28 687</b>	<b>(10 390)</b>	<b>(10 390)</b>	<b>(10 390)</b>	<b>(10 390)</b>	<b>(10 390)</b>	<b>(10 390)</b>	<b>(17 888)</b>	<b>(8 764)</b>	<b>(8 615)</b>	
Cash/cash equivalents at the monthly year begin:	70 590	52 608	82 218	71 829	61 439	90 126	79 736	68 346	58 956	50 974	70 590	52 603	42 838	42 838	
Cash/cash equivalents at the monthly year end:	92 608	82 218	71 829	61 439	90 126	79 736	69 346	58 956	50 974	70 584	49 804	52 603	43 838	35 024	

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DC3 Overberg - NOT REQUIRED - municipality does not have entities

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<b>Financial Performance</b>										
Property rates										
Service charges										
Investment revenue										
Transfer and subsidies - Operations										
Other own revenue										
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)										
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	-	-	-	-	-	-	-	-
<b>Employee costs</b>										
Remuneration of Board Members										
Depreciation and amortisation										
Interest										
Inventory consumed and bulk purchases										
Transfers and subsidies										
Other expenditure										
<b>Total Expenditure</b>		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>		-	-	-	-	-	-	-	-	-
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>										
Transfers recognised - capital										
Borrowing										
Internally generated funds										
<b>Total sources</b>		-	-	-	-	-	-	-	-	-
<b>Financial position</b>										
Total current assets										
Total non current assets										
Total current liabilities										
Total non current liabilities										
Community wealth/Equity										
<b>Cash flows</b>										
Net cash from (used) operating										
Net cash from (used) investing										
Net cash from (used) financing										
<b>Cash/cash equivalents at the year end</b>										

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DC3 Overberg - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand

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DC3 Overberg - Supporting Table SA33 Contracts having future budgetary implications

R thousand	Description	Ref	Preceding Years	2026/27 Medium Term Revenue & Expenditure Framework			Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Forecast 2032/33	Forecast 2033/34	Forecast 2034/35	Forecast 2035/36	Total Contract Value
				Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29								
	Parent Municipality:													
	<u>Revenue Obligation By Contract</u>	2												
	Contract 1													
	Contract 2													
	Contract 3 etc													
	<b>Total Operating Revenue Implication</b>													
	<u>Expenditure Obligation By Contract</u>	2												
	Contract 1													
	Contract 2													
	Contract 3 etc													
	<b>Total Operating Expenditure Implication</b>													
	<u>Capital Expenditure Obligation By Contract</u>	2												
	Contract 1													
	Contract 2													
	Contract 3 etc													
	<b>Total Capital Expenditure Implication</b>													
	<b>Total Parent Expenditure Implication</b>													
	Entities:													
	<u>Revenue Obligation By Contract</u>	2												
	Contract 1													
	Contract 2													
	Contract 3 etc													
	<b>Total Operating Revenue Implication</b>													
	<u>Expenditure Obligation By Contract</u>	2												
	Contract 1													
	Contract 2													
	Contract 3 etc													
	<b>Total Operating Expenditure Implication</b>													
	<u>Capital Expenditure Obligation By Contract</u>	2												
	Contract 1													
	Contract 2													
	Contract 3 etc													
	<b>Total Capital Expenditure Implication</b>													
	<b>Total Entity Expenditure Implication</b>													

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DC3 Overberg - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcom	Audited Outcom	Audited Outcom	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure on new assets by Asset Class/Sub-class										
<b>Infrastructure</b>		-	-	3	160	152	152	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	3	160	152	152	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	3	160	152	152	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-



<b>Community Assets</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	-	-	-	-	-	-	-	-	-	
Indoor Facilities	-	-	-	-	-	-	-	-	-	
Outdoor Facilities	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-	
Monuments	-	-	-	-	-	-	-	-	-	
Historic Buildings	-	-	-	-	-	-	-	-	-	
Works of Art	-	-	-	-	-	-	-	-	-	
Conservation Areas	-	-	-	-	-	-	-	-	-	
Other Heritage	-	-	-	-	-	-	-	-	-	
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-	
Revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property	-	-	-	-	-	-	-	-	-	
Unimproved Property	-	-	-	-	-	-	-	-	-	
Non-revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property	-	-	-	-	-	-	-	-	-	
Unimproved Property	-	-	-	-	-	-	-	-	-	
<b>Other assets</b>	-	70	-	-	115	115	1 198	-	-	
Operational Buildings	-	67	-	-	115	115	1 198	-	-	
Municipal Offices	-	67	-	-	115	115	1 198	-	-	
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	
Building Plan Offices	-	-	-	-	-	-	-	-	-	
Workshops	-	-	-	-	-	-	-	-	-	
Yards	-	-	-	-	-	-	-	-	-	
Stores	-	-	-	-	-	-	-	-	-	
Laboratories	-	-	-	-	-	-	-	-	-	
Training Centres	-	-	-	-	-	-	-	-	-	
Manufacturing Plant	-	-	-	-	-	-	-	-	-	
Depots	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Housing	-	3	-	-	-	-	-	-	-	
Staff Housing	-	-	-	-	-	-	-	-	-	
Social Housing	-	3	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
<b>Intangible Assets</b>	-	-	135	450	250	250	-	-	-	
Servitudes	-	-	-	-	-	-	-	-	-	
Licences and Rights	-	-	135	450	250	250	-	-	-	
Water Rights	-	-	-	-	-	-	-	-	-	
Effluent Licenses	-	-	-	-	-	-	-	-	-	
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	
Computer Software and Applications	-	-	135	450	250	250	-	-	-	
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-	
Unspecified	-	-	-	-	-	-	-	-	-	
<b>Computer Equipment</b>	324	96	89	20	20	20	-	-	-	
Computer Equipment	324	96	89	20	20	20	-	-	-	
<b>Furniture and Office Equipment</b>	30	2	94	192	268	268	213	-	-	
Furniture and Office Equipment	30	2	94	192	268	268	213	-	-	
<b>Machinery and Equipment</b>	1 961	1 421	4 396	407	407	407	6	-	-	
Machinery and Equipment	1 961	1 421	4 396	407	407	407	6	-	-	
<b>Transport Assets</b>	3 574	3 376	4 011	1 100	1 580	1 580	4 872	-	2 500	
Transport Assets	3 574	3 376	4 011	1 100	1 580	1 580	4 872	-	2 500	
<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>	1	5 888	4 966	8 728	2 329	2 791	2 791	6 289	-	2 500

DC3 Overberg - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcom	Audited Outcom	Audited Outcom	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>			68	1 428						
Roads Infrastructure										
Roads										
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure										
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure										
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure										
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution										
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure										
Pump Station										
Reticulation										
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure			68	1 428						
Landfill Sites			68	1 428						
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure										
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure										
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure										
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										
<b>Community Assets</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										
Indoor Facilities										
Outdoor Facilities										
Capital Spares										
<b>Heritage assets</b>										
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										



<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<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>	341	313	-	-	-	-	-	-	-
Computer Equipment	341	313	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>	394	471	481	1 175	1 207	1 207	60	50	50
Furniture and Office Equipment	394	471	481	1 175	1 207	1 207	60	50	50
<b>Machinery and Equipment</b>	24	33	71	150	400	400	450	450	400
Machinery and Equipment	24	33	71	150	400	400	450	450	400
<b>Transport Assets</b>	90	670	1 601	-	-	-	200	200	200
Transport Assets	90	670	1 601	-	-	-	200	200	200
<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</b>	<b>1 849</b>	<b>1 555</b>	<b>3 581</b>	<b>1 325</b>	<b>1 607</b>	<b>1 607</b>	<b>710</b>	<b>700</b>	<b>650</b>
<b>Renewal of Existing Assets as % of total capex</b>	<b>11.1%</b>	<b>12.8%</b>	<b>23.2%</b>	<b>8.9%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>2.5%</b>	<b>16.7%</b>	<b>16.9%</b>
<b>Renewal of Existing Assets as % of deprecn"</b>	<b>21.2%</b>	<b>34.6%</b>	<b>60.6%</b>	<b>35.8%</b>	<b>43.8%</b>	<b>43.8%</b>	<b>14.6%</b>	<b>14.4%</b>	<b>13.4%</b>

DC3 Overberg - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2022/23			2023/24			2024/25			Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcom	Audited Outcom	Audited Outcom	Original Budget	Adjusted Budget	Full Year Forecas	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>		6 037	1 524	1 872	6 578	4 578	4 578	6 399	6 719	7 054						
<b>Infrastructure</b>																
Roads Infrastructure																
Roads																
Road Structures																
Road Furniture																
Capital Spares																
Storm water Infrastructure																
Drainage Collection																
Storm water Conveyance																
Attenuation																
Electrical Infrastructure																
Power Plants																
HV Substations																
HV Switching Station																
HV Transmission Conductors																
MV Substations																
MV Switching Stations																
MV Networks																
LV Networks																
Capital Spares																
Water Supply Infrastructure																
Dams and Weirs																
Boreholes																
Reservoirs																
Pump Stations																
Water Treatment Works																
Bulk Mains																
Distribution																
Distribution Points																
PRV Stations																
Capital Spares																
Sanitation Infrastructure																
Pump Station																
Reticulation																
Waste Water Treatment Works																
Outfall Sewers																
Toilet Facilities																
Capital Spares																
Solid Waste Infrastructure		6 037	1 524	1 872	6 578	4 578	4 578	6 399	6 719	7 054						
Landfill Sites		6 037	1 524	1 872	6 578	4 578	4 578	6 399	6 719	7 054						
Waste Transfer Stations																
Waste Processing Facilities																
Waste Drop-off Points																
Waste Separation Facilities																
Electricity Generation Facilities																
Capital Spares																
Rail Infrastructure																
Rail Lines																
Rail Structures																
Rail Furniture																
Drainage Collection																
Storm water Conveyance																
Attenuation																
MV Substations																
LV Networks																
Capital Spares																
Coastal Infrastructure																
Sand Pumps																
Piers																
Revelments																
Promenades																
Capital Spares																
Information and Communication Infrastructure																
Data Centres																
Core Layers																
Distribution Layers																
Capital Spares																
<b>Community Assets</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																
Indoor Facilities																
Outdoor Facilities																
Capital Spares																

<b>Heritage assets</b>										
Monuments	-	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>										
Revenue Generating	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	<b>884</b>	<b>1 113</b>	<b>1 417</b>	<b>1 299</b>	<b>1 375</b>	<b>1 375</b>	<b>1 006</b>	<b>800</b>	<b>750</b>	
Operational Buildings	879	1 111	1 417	1 294	1 370	1 370	1 006	800	750	
Municipal Offices	879	1 111	1 417	1 294	1 370	1 370	1 006	800	750	
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	
Building Plan Offices	-	-	-	-	-	-	-	-	-	
Workshops	-	-	-	-	-	-	-	-	-	
Yards	-	-	-	-	-	-	-	-	-	
Stores	-	-	-	-	-	-	-	-	-	
Laboratories	-	-	-	-	-	-	-	-	-	
Training Centres	-	-	-	-	-	-	-	-	-	
Manufacturing Plant	-	-	-	-	-	-	-	-	-	
Depots	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Housing	5	2	-	5	5	5	-	-	-	
Staff Housing	-	-	-	-	-	-	-	-	-	
Social Housing	5	2	-	5	5	5	-	-	-	
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>										
Computer Equipment	-	-	-	-	-	-	-	-	-	
<b>Furniture and Office Equipment</b>										
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	
<b>Machinery and Equipment</b>	262	209	225	610	426	426	627	633	653	
Machinery and Equipment	262	209	225	610	426	426	627	633	653	
<b>Transport Assets</b>	1 750	2 150	2 194	1 775	2 880	2 880	2 425	2 414	2 424	
Transport Assets	1 750	2 150	2 194	1 775	2 880	2 880	2 425	2 414	2 424	
<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 Repairs and Maintenance Expenditure</b>	<b>1</b>	<b>8 933</b>	<b>4 997</b>	<b>5 708</b>	<b>10 262</b>	<b>9 259</b>	<b>9 259</b>	<b>10 456</b>	<b>10 565</b>	<b>10 881</b>
<b>R&amp;M as a % of PPE &amp; Investment Property</b>		<b>10.2%</b>	<b>5.3%</b>	<b>5.5%</b>	<b>8.9%</b>	<b>6.6%</b>	<b>6.6%</b>	<b>6.4%</b>	<b>6.5%</b>	<b>6.7%</b>
<b>R&amp;M as % Operating Expenditure</b>		<b>3.5%</b>	<b>1.9%</b>	<b>1.9%</b>	<b>3.3%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.4%</b>	<b>3.3%</b>	<b>3.7%</b>

DC3 Overberg - Supporting Table SA34d Depreciation by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcom	Audited Outcom	Audited Outcom	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>		-	-	24	287	287	287	1 009	1 009	1 009
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	24	287	287	287	1 009	1 009	1 009
Landfill Sites		-	-	24	287	287	287	1 009	1 009	1 009
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Community Assets</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		-	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-



HERZOG DISTRICT MUNICIPALITY 10000 THE BURG STREET / PRIVATE BAG X22 EDDABORGF 7780 30 MAR 2026 028 295 1014 www.orm.org.za										
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-	
Monuments	-	-	-	-	-	-	-	-	-	
Historic Buildings	-	-	-	-	-	-	-	-	-	
Works of Art	-	-	-	-	-	-	-	-	-	
Conservation Areas	-	-	-	-	-	-	-	-	-	
Other Heritage	-	-	-	-	-	-	-	-	-	
<b>Investment properties</b>	-	-	15	15	15	81	81	81		
Revenue Generating	-	-	-	-	-	-	-	-		
Improved Property	-	-	-	-	-	-	-	-		
Unimproved Property	-	-	-	-	-	-	-	-		
Non-revenue Generating	-	-	15	15	15	81	81	81		
Improved Property	-	-	-	-	-	-	-	-		
Unimproved Property	-	-	15	15	15	81	81	81		
<b>Other assets</b>	840	760	1 743	435	435	435	400	400	359	
Operational Buildings	840	760	1 743	435	435	435	400	400	359	
Municipal Offices	326	233	1 153	120	120	120	358	358	359	
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	
Building Plan Offices	-	-	-	-	-	-	-	-	-	
Workshops	-	-	-	-	-	-	-	-	-	
Yards	-	-	-	-	-	-	-	-	-	
Stores	-	-	-	-	-	-	-	-	-	
Laboratories	-	-	-	-	-	-	-	-	-	
Training Centres	-	-	-	-	-	-	-	-	-	
Manufacturing Plant	-	-	-	-	-	-	-	-	-	
Depots	-	-	-	-	-	-	-	-	-	
Capital Spares Operational	514	526	590	315	315	315	42	42	-	
Housing	-	-	-	-	-	-	-	-	-	
Staff Housing	-	-	-	-	-	-	-	-	-	
Social Housing	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
<b>Intangible Assets</b>	3	27	40	30	3	3	152	152	167	
Servitudes	-	-	-	-	-	-	-	-	-	
Licences and Rights	3	27	40	30	3	3	152	152	167	
Water Rights	-	-	-	-	-	-	-	-	-	
Effluent Licenses	-	-	-	-	-	-	-	-	-	
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	
Computer Software and Applications	3	27	40	30	3	3	152	152	167	
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-	
Unspecified	-	-	-	-	-	-	-	-	-	
<b>Computer Equipment</b>	48	112	177	497	497	497	1 644	1 644	1 644	
Computer Equipment	48	112	177	497	497	497	1 644	1 644	1 644	
<b>Furniture and Office Equipment</b>	2 125	2 236	2 455	476	476	476	1 292	1 292	1 319	
Furniture and Office Equipment	2 125	2 236	2 455	476	476	476	1 292	1 292	1 319	
<b>Machinery and Equipment</b>	-	-	-	32	32	32	91	91	90	
Machinery and Equipment	-	-	-	32	32	32	91	91	90	
<b>Transport Assets</b>	989	1 363	1 470	1 925	1 925	1 925	181	181	181	
Transport Assets	989	1 363	1 470	1 925	1 925	1 925	181	181	181	
<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 Depreciation</b>	1	4 005	4 497	5 909	3 697	3 670	3 670	4 850	4 850	4 850

DC3 Overberg - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcom	Audited Outcom	Audited Outcom	Original Budget	Adjusted Budget	Full Year Forecas	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>		367	4 487	1 499	9 200	33 619	33 619	20 800	2 900	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	119	119	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	119	119	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		367	4 487	1 499	9 200	33 500	33 500	20 800	2 900	-
Landfill Sites		367	4 487	1 499	9 200	33 500	33 500	20 800	2 900	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

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<b>Community Assets</b>	-	-	-	-	-	-	-	-	-
<b>Community Facilities</b>	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
<b>Sport and Recreation Facilities</b>	-	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	567	429	364	-	150	150	180	180	-
Operational Buildings	44	262	67	-	-	-	-	-	-
Municipal Offices	44	262	67	-	-	-	-	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Housing	523	167	297	-	150	150	180	180	-
Staff Housing	-	-	-	-	-	-	-	-	-
Social Housing	523	167	297	-	150	150	180	180	-
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>	-	754	555	263	103	103	-	-	-
Computer Equipment	-	754	555	263	103	103	-	-	-
<b>Furniture and Office Equipment</b>	-	-	166	1 200	1 200	1 200	450	400	700
Furniture and Office Equipment	-	-	166	1 200	1 200	1 200	450	400	700
<b>Machinery and Equipment</b>	-	-	90	150	154	154	-	-	-
Machinery and Equipment	-	-	90	150	154	154	-	-	-
<b>Transport Assets</b>	-	-	424	411	411	411	45	-	-
Transport Assets	-	-	424	411	411	411	45	-	-
<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 upgrading of existing</b>	934	5 670	3 097	11 224	35 637	35 637	21 475	3 480	700
<b>Upgrading of Existing Assets as % of total capex</b>	12.2%	46.5%	20.1%	75.4%	89.0%	89.0%	75.4%	83.3%	18.2%
<b>Upgrading of Existing Assets as % of deprecn"</b>	23.3%	126.1%	52.4%	303.6%	971.1%	971.1%	442.6%	71.8%	14.4%

DC3 Overberg - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2026/27 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Present value
<b>R thousand</b>								
<b>Capital expenditure</b>	1							
Vote 1 - Municipal Manager		-	-	-				
Vote 2 - Management Services		-	-	-				
Vote 3 - Corporate Services		663	400	700				
Vote 4 - Finance		-	-	-				
Vote 5 - Community Services		27 811	3 780	3 150				
List entity summary if applicable								
<b>Total Capital Expenditure</b>		<b>28 474</b>	<b>4 180</b>	<b>3 850</b>	-	-	-	-
<b>Future operational costs by vote</b>	2							
Vote 1 - Municipal Manager								
Vote 2 - Management Services								
Vote 3 - Corporate Services								
Vote 4 - Finance								
Vote 5 - Community Services								
List entity summary if applicable								
<b>Total future operational costs</b>		-	-	-	-	-	-	-
<b>Future revenue by source</b>	3							
Exchange Revenue								
Service charges - Electricity								
Service charges - Water								
Service charges - Waste Water Management								
Service charges - Waste Management								
Agency services								
List other revenues sources if applicable								
List entity summary if applicable								
<b>Total future revenue</b>		-	-	-	-	-	-	-
<b>Net Financial Implications</b>		<b>28 474</b>	<b>4 180</b>	<b>3 850</b>	-	-	-	-

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DC3 Overberg - Supporting Table SA38 Detailed capital budget

R thousand	Function	Project Description	Project Number	Type	MTDP Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location
	Parent municipality: List all capital projects grouped by Function									
	Parent Capital expenditure									
	Entities: List all capital projects grouped by Entity									
	Entity A Water project A									
	Entity B Electricity project B									
	Entity Capital expenditure									
	Total Capital expenditure									




DC3 Overberg - Supporting Table SA37 Projects delayed from previous financial years

R thousand	Function	Project name	Project number	Type	MTP Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Previous largest year to complete	Current Year 2025/26		2025/27 Medium Term Revenue & Expenditure Framework	
														Original Budget	Full Year Forecast	Budget Year 2026/27	Budget Year 2027/28
	<b>Project description:</b> List all capital projects grouped by Function																
	<b>Entities:</b> List all capital projects grouped by Entity Entity Name Project name																

DC3 Overberg - Supporting Table SA37 Consolidated detailed operational projects

R thousand	Facilities	Project Description	Project Number	Type	MTP Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	2023/23	2023/24	2024/25	Current Year 2025/26		2025/27 Medium Term Revenue & Expenditure Framework	
																Original Budget	Adjusted Budget	Budget Year 2025/27	Budget Year 2027/28
	<b>Parent municipality:</b> List all operational projects grouped by Function																		
	<b>Parent Operational expenditure</b>																		
	<b>Entities:</b> List all Operational projects grouped by Entity Entity A Entity B Entity C Entity D																		
	<b>Total Operational expenditure</b>																		


  
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