

**DR. KENNETH  
KAUNDA**  
DISTRICT MUNICIPALITY



***“Exploring Prosperity through sustainable  
service delivery for all”***

# **DRAFT ANNUAL BUDGET**

**2025/2026 TO 2027/2028**

**MEDIUM TERM REVENUE AND  
EXPENDITURE FORECASTS**

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## ABBREVIATIONS AND ACRONYMS

**AMR**-Automated Meter Reading  
**ASGISA**-Accelerated and Shared Growth Initiative  
**BPC**- Budget Planning Committee  
**CBD**- Central Business District  
**CFO**-Chief Financial Officer  
**CM**-City Manager  
**CPI**-Consumer Price Index  
**CRRF** -Capital Replacement Reserve Fund  
**DBSA** -Development Bank of South Africa  
**DoRA**-Division of Revenue Act  
**DWA** Department of Water Affairs  
**EE** Employment Equity  
**EEDSM** Energy Efficiency Demand Side Management  
**EM** Executive Mayor  
**FBS** Free basic services  
**GAMAP** Generally Accepted Municipal Accounting Practice  
**GDP** Gross domestic product  
**GDS** Gauteng Growth and Development Strategy  
**GFS** Government Financial Statistics  
**GRAP** General Recognised Accounting Practice  
**HR**- Human Resources  
**HSRC**- Human Science Research Council  
**IDP**- Integrated Development Strategy  
**IT**-Information Technology  
**Kl**- kilolitre  
**Km** kilometre  
**KPA**- Key Performance Area  
**KPI**- Key Performance Indicator  
**KWh**- kilowatt  
**L**-litre  
**LED**- Local Economic Development

**MEC**- Member of the Executive Committee  
**MFMA**-Municipal Financial Management Act  
**MIG**- Municipal Infrastructure Grant  
**MMC**- Member of Mayoral Committee  
**MPRA**- Municipal Properties Rates Act  
**MSA**- Municipal Systems Act  
**MTEF**- Medium-term Expenditure Framework  
**MTREF**- Medium-term Revenue and Expenditure Framework  
**NERSA**- National Electricity Regulator South Africa  
**NGO**-Non-Governmental organisations  
**NKPIs**- National Key Performance Indicators  
**OHS**-Occupational Health and Safety  
**OP**-Operational Plan  
**PBO**- Public Benefit Organisations  
**PHC**-Provincial Health Care  
**PMS**- Performance Management System  
**PPE** -Property Plant and Equipment  
**PPP**- Public Private Partnership  
**PTIS**-Public Transport Infrastructure System  
**RG**-Restructuring Grant  
**RSC** Regional Services Council  
**SALGA**- South African Local Government Association  
**SAPS**- South African Police Service  
**SDBIP**- Service Delivery Budget Implementation Plan  
**SMME**- Small Micro and Medium Enterprises

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## PART 1: DRAFT ANNUAL BUDGET

### Purpose of Tabling of the Draft Annual Budget for the Financial Year 2025/2026

The purpose of this report is to submit the Draft Annual Budget for 2025/2026 to Council in line with the provisions of the Municipal Finance Management Act section 24(1) that stipulate that the municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.

#### 1.1.Mayor's Report

*(Speech by the Executive Mayor during tabling of the 2024/2025 Draft Annual Budget in council meeting)*

Honourable Speaker, Cllr. Xolile Nxozana, Single-Whip, Cllr J Lesie, Single whips of opposition parties, Members of Mayoral Committee, Honourable Councillors, the Municipal Manager, Senior managers, officials of the Dr Kenneth Kaunda District Municipality, community members at the gallery and officials from other government stakeholders if any.

I am presenting the fourth Draft Budget for the 2025/2026 financial year as the new administration and it must be noted that this is not the final budget. The 2025/26 Draft Budget will be subjected to public inputs of the community before a final budget can be presented and approved by Council 30 days before the beginning of the financial year **(31 May 2025)**. Key stakeholders like Provincial Treasury will also be given an opportunity to submit written comments on the Draft Budget.

Honourable councillors, the Medium-Term Revenue and Expenditure Framework (MTREF) for 2025/26 to 2027/28 has been compiled in line with the Municipal Budget and Reporting regulation, Government Gazette number 32141 promulgated on the 17th of April 2009 and Chapter 4 of the MFMA (Municipal Finance Management Act – Act 56 of 2003) which regulates the process and existence of a municipal budget. Section 16 of the Municipal Finance Management Act, No.56 of 2003 (MFMA), requires:

- (1) That the mayor of the municipality must table the Draft budget at a Council meeting at least 90 days before the start of the budget year **(31 March 2025)**.

Honourable Speaker, the 2025/26 Draft Budget of the Dr KKDM is estimated as follow:

**Table 1**

	CURRENT YEAR 2024/2025			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
	APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
TOTAL REVENUE	- 241 172 000.00	- 241 482 000.00	- 171 051 150.91	- 248 471 000.00	2.89	- 255 169 200.00	- 262 561 717.00
TOTAL EXPENDITURE	240 959 000.00	247 126 604.00	150 215 646.35	248 320 243.00	0.48	254 165 599.00	260 335 382.00
<b>(Surplus) / Deficit</b>	<b>- 213 000.00</b>	<b>5 644 604.00</b>	<b>- 20 835 504.56</b>	<b>- 150 757.00</b>	<b>3.38</b>	<b>- 1 003 601.00</b>	<b>- 2 226 335.00</b>
TOTAL CAPITAL EXPENDITURE	29 950 000.00	19 160 000.00	3 132 331.79	16 050 000.00	- 16.23	9 500 000.00	5 200 000.00
<b>TOTAL DRAFT BUDGET</b>	<b>270 909 000.00</b>	<b>266 286 604.00</b>	<b>153 347 978.14</b>	<b>264 370 243.00</b>	<b>- 15.75</b>	<b>263 665 599.00</b>	<b>265 535 382.00</b>

- ✓ The proposed operating revenue for the 2025/26 financial year has been appropriated at **R248.4 Million**. The operating revenue has increased by 2.89% or **R6.9 Million** for the 2025/26 financial year when compared to the 2024/25 Adjustment Budget. For the two outer years, operating revenue will increase by 2.70% or **R6.6 Million** and 2.9% or **R7.3 Million** respectively.
- ✓ The proposed operating expenditure for the 2025/26 financial year has been appropriated at **R248.3 Million** and translates into a budgeted cash surplus of **R150 Thousand** before the reversal of a non-cash items of **R7.1 Million**. The operating expenditure has increased by 0.48% or **R1.1 Million** in the 2025/26 financial year when compared to the 2024/25 Adjustment Budget. For the two outer years, operating expenditure will increase by 2.35% or **R5.8 Million** in 2026/27 and increase by 2.43% or **R6.1 Million** in 2027/28.
- ✓ The proposed capital budget for the 2025/26 financial year has been appropriated at **R16 Million**. The capital expenditure has decreased by 16.23% or R3.1 Million when compared to the 2024/25 Adjustment Budget. The capital expenditure will decrease by 40.81% or **R6.5 Million** and 45.26% or **R4.3 Million** respectively. The capital budget will be funded internally.

Furthermore, Honourable Councillors, the table below provides allocations as stipulated in the Division of Revenue Bill for 2025/23-2027/28 Medium-term Revenue and Expenditure Framework.

DISCRIPTIONS	CURRENT YEAR 2024 / 2025		MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK					
	APPROVED BUDGET	ADJUSTMENT BUDGET	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	GROWTH RATE	2027 / 2028 BUDGET	GROWTH RATE
FUEL LEVY (RSC REPLACEMENT GRANT)	- 184 806 000.00	- 184 806 000.00	- 192 095 000.00	3.94	- 200 378 000.00	4.31	- 209 439 000.00	4.52
TS_O_M_NRF_EQUITABLE SHARE	- 33 503 000.00	- 33 503 000.00	- 32 981 000.00	- 1.56	- 32 768 000.00	- 0.65	- 34 256 000.00	4.54
<b>TOTAL</b>	<b>- 218 309 000.00</b>	<b>- 218 309 000.00</b>	<b>- 225 076 000.00</b>	<b>3.10</b>	<b>- 233 146 000.00</b>	<b>3.59</b>	<b>- 243 695 000.00</b>	<b>4.52</b>
TS_O_M_NG_LOCAL GOV FIN MNG GRANT (FMG)	- 1 000 000.00	- 1 000 000.00	- 1 100 000.00	10.00	- 1 200 000.00	9.09	- 1 300 000.00	8.33
TS_O_M_NG_EPWP GRANT	- 1 452 000.00	- 1 452 000.00	- 2 211 000.00	52.27	-	- 100.00	-	-
TS_O_M_NG_RURAL ROAD ASSET MNG SYS GRANT (RRAMS)	- 2 761 000.00	- 2 761 000.00	- 2 884 000.00	4.45	- 3 016 000.00	4.58	- 3 152 000.00	4.51
ENERGY EFFICIENCY AND DEMAND-SIDE MAN GRANT	- 4 000 000.00	- 4 000 000.00	- 4 000 000.00	-	- 4 000 000.00	-	-	- 100.00
<b>TOTAL ALLOCATIONS DR KKDM</b>	<b>- 227 522 000.00</b>	<b>- 227 522 000.00</b>	<b>- 235 271 000.00</b>	<b>3.41</b>	<b>- 241 362 000.00</b>	<b>2.59</b>	<b>- 248 147 000.00</b>	<b>2.81</b>

- The proposed Transfers and Subsidies for the 2025/26 financial year have been appropriated at **R235.2 Million**. This indicates that the Conditional and Unconditional Grants allocated to DR KKDM only increased by 3.41% or **R7.7 Million** for the 2025/6 financial year when compared to the 2024/25 Adjustment Budget.
- The below mentioned Grants and Subsidies led to the 3.41% or **R7.7 Million** increase:
  - ❖ RSC Replacement Grant increased by **R7.2 Million** or 3.94%.
  - ❖ Equitable Share decreased by **R522 Thousand** or 1.56%.
  - ❖ Financial Management Grant (FMG) increased by **R100 Thousand** or 10.00%.
  - ❖ Expanded Public Work Programme (EPWP) has been increased by **R759 Thousand** or 52.27%.
  - ❖ Rural Road Asset Management System Grant (RRAMS) has been increased by **R123 Thousand** or 4.45%.
  - ❖ Energy and Efficiency and Demand-Side Management Grant remains at **R4 Million**.
- The proposed operating expenditure for the 2025/26 financial year of **R248.3 Million** is allocated as follows:
  - The proposed employee related costs for the 2025/26 financial has been appropriated at **R144.7 Million**. The employee related costs have increased by 4.3%. The employee related cost budget constitute **58.28%** of the total operating expenditure budget.
  - The proposed remuneration of councillors for the 2023/24 financial has been appropriated at **R13.5 Million**. There has been an increased 3.00% on Remuneration of Councillors. The estimate is made while waiting for the final pronouncement on the increase by the Minister of Cooperative Governance and

Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998).

- After consideration of employee related cost and the remuneration of Councillors the municipality is left with **R85.7 Million** from the total operating expenditure budget. The operational budget is then allocated to Outsource Services, Consultants and Professional Services, and Contractors, Operational Costs, Inventory, Operating leases, Transfers and Subsidies as well as Depreciation.
  - ❖ The proposed outsource services budget for the 2025/26 financial year has been appropriated at **R14 Million**. The outsource services has decreased by 17.19% or R2.9 Million when compared to the 2024/25 Adjustment Budget. For the two outer years, outsource services will decrease by 11.89% or R1.6 Million in 2026/27 and increase by 4.40% or R543 thousand in 2027/28.
  - ❖ The proposed budget on Consultants and Professional Services for the 2025/26 financial year has been appropriated at **R17.4 Million**. The Consultants and Professional Services has increased by 5.51% or **R911 Thousand** when compared to the 2024/25 Adjustment Budget. For the two outer years, consultants and professional services will decrease by 11.38% or R1.9 Million and 24.47% or R3.7 Million respectively.
  - ❖ The proposed contractors budget for the 2025/26 financial year has been appropriated at **R13.2 Million**. The contractors have increased by 7.65% or R940 thousand when compared to the 2024/25 Adjustment Budget. For the two outer years, contractors will increase by 0.98% or R130 thousand and 1.73% or R230 thousand respectively.
  - ❖ The proposed operational costs budget for the 2025/26 financial year has been appropriated at **R27.2 Million**. The operational costs have decreased by 11.25% or **R3.4 Million** when compared to the 2024/25 Adjustment Budget. For the two outer years, operational costs will increase by 4.6% or R1.2 Million and 4.4% or R1.2 Million respectively.
  - ❖ The proposed inventory budget for the 2025/26 financial year has been appropriated at **R4.2 Million**. There has been a decrease on inventory by 5.19% or R230 thousand when compared to the 2024/25



Adjustment Budget. For the two outer years, inventory will increase by 4.6% or R193 thousand in 2026/27 and by 4.4% or R193 Thousand in 2027/28. The allocation caters for fuel and all stock items (paper, water, cleaning materials, stationery items and groceries).

- ❖ The proposed budget on operating leases for the 2025/26 financial year has been appropriated at **R2.5 Million**. The operating leases have decreased by 52.65% or R2.7 Million when compared to the 2024/25 Adjustment Budget. For the two outer years, operating leases will increase by 4.6% or R115 Thousand and 4.4% or R115 Thousand respectively. These include Photocopiers and Building leases.
- ❖ The proposed budget on transfers and subsidies for the 2025/26 financial year has been appropriated at **R4.2 Million**. The transfers and subsidies have increased by 123.68% or R2.3 Million when compared to the 2024/25 Adjustment Budget. For the two outer years, transfers and subsidies will increase by 4.6% or R195 Thousand 2026/27 and increase by 4.4% or R195 thousand in 2027/28.

The following contributing factors has led to the 123.68% increase:

- SMMEs Support Grants
  - The allocation also caters for bursaries for non-employees, social relief of distress.
- ❖ The proposed capital budget for the 2025/26 financial year has been appropriated at **R16 Million**. The capital expenditure has decreased by 16.23% or R3.1 Million when compared to the 2024/25 Adjustment Budget. For the two outer years, capital expenditure will decrease by 40.81% or R6.5 Million and 45.26% or R4.3 Million respectively. The capital budget will be funded internally.

## RECOMMENDATIONS

I therefore, table the 2025/26-2027/28 Medium-term Revenue and Expenditure Framework (MTREF) of Dr Kenneth Kaunda District Municipality in terms of Chapter 4 of the MFMA, with the following recommendations:

1. Cognisance be taken that of:

1.1. Sections 16 , 17 &18 of the Municipal Finance Management Act, 2003 (Act No 56 of 2003) and the Municipal Budget Regulation, Government Gazette 32141 of 17 April 2009.

1.2. **The Budget-Related Policies:**

1.2.1 The following Budget-Related Policies be Budget as approved with the 2024/2025 MTREF be presented for review:

- Supply Chain Management Policy as amended and approved
- Municipal Budget Policy;
- Virement Policy;
- Assets Management Policy;
- Funding and Reserves Policy;
- Subsistence and Travelling Allowance Policy;
- Cellphone Allowance Policy;
- Cash Management and Investment Policy; and
- Borrowing Policy;

1.3. The Draft Budget for 2025/2026 is cash funded with a surplus of **R7 334 322 (Seven Million, Three Hundred and Thirty-Four Thousand, Three Hundred and Twenty-Two)** after the Non-Cash Items (Depreciation and Impairment Losses) has been set off as per the A Schedule.

2. That the Draft 2025/2026-2027/2028 MTREF of the Dr Kenneth Kaunda District Municipality is tabled before council.
3. That the 2025/2026 Draft Operating Revenue of **Two Hundred and Forty-Eight Million, Four Hundred and Seventy-One Thousand (R248 471 000.00)** in terms of the MBRR A Schedule is tabled before council.

4. That the 2025/2026 Operating Expenditure of **Two Hundred and Forty-Eight Million, Three Hundred and Twenty Thousand, Two Hundred and Forty-Three (R248 320 243.00)** in terms of the MBRR A Schedule is tabled before council.
5. That the 2025/2026 Draft Capital Expenditure of **Sixteen Million and Fifty Thousand (R16 050 000.00)** in terms of the MBRR A Schedule is tabled before council.
6. That the 2025/2026 Draft funding from reversal of depreciation: non cash item of **R7 183 565 (Seven Million, One Hundred and Eighty-Three Thousand, Five-Hundred and Sixty-Five Rand)** as per the A Schedule is tabled before council.
7. That the budget related policies as amended to be work-shopped before the approval of the final annual budget.
8. That the Draft 2025/2026-2027/2028 MTREF of the Dr Kenneth Kaunda District Municipality once tabled before council be submitted to the relevant stakeholders.
9. That the measurable performance objectives (IDP) for the 2025/2026 and for each year of the medium-term framework be tabled before council for approval.
10. That the Final Procurement Plan of the Dr Kenneth Kaunda District Municipality be approved with the 2025/2026 Final Annual Budget.

**I thank you**

## **1.2. Council Resolutions and Items**

***The resolution for tabling of the Draft Annual Budget will be inserted once the Council has resolved.***

## **1.3. Executive Summary**

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

National Treasury's MFMA Circulars No. 28, 42, 51, 54, 55, 58, 59, 66, 67, 70, 71, 72, 74, 75, 78, 79, 85, 86, 89, 91, 93, 94, 107, 108, 112, 115, 116, 122, 123, 126, 128, 129, 130 and budget related regulation no 32141 of 17 April 2009 and Chapter 4, 7 etc. of the MFMA were used to guide the compilation of the 2024/25 MTREF.

The following table is a consolidated overview of the proposed 2024/25-2026/27 Medium-term Revenue and Expenditure Framework:

**Table 1**

	CURRENT YEAR 2024/2025			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
	APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
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<b>(Surplus) / Deficit</b>	<b>- 213 000.00</b>	<b>5 644 604.00</b>	<b>- 20 835 504.56</b>	<b>- 150 757.00</b>	<b>3.38</b>	<b>- 1 003 601.00</b>	<b>- 2 226 335.00</b>
TOTAL CAPITAL EXPENDITURE	29 950 000.00	19 160 000.00	3 132 331.79	16 050 000.00	- 16.23	9 500 000.00	5 200 000.00
TOTAL DRAFT BUDGET	270 909 000.00	266 286 604.00	153 347 978.14	264 370 243.00	- 15.75	263 665 599.00	265 535 382.00

- ✓ The proposed operating revenue for the 2025/26 financial year has been appropriated at **R248.4 Million**. The operating revenue has increased by 2.89% or **R6.9 Million** for the 2025/26 financial year when compared to the 2024/25 Adjustment Budget. For the two outer years, operating revenue will increase by 2.70% or **R6.6 Million** and 2.9% or **R7.3 Million** respectively.
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**Table 2**

The table below provides allocations as stipulated in the Division of Revenue Bill for 2025/26-2027/28 Medium-term Revenue and Expenditure Framework.

DISCRIPTIONS	CURRENT YEAR 2024 / 2025		MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK					
	APPROVED BUDGET	ADJUSTMENT BUDGET	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	GROWTH RATE	2027 / 2028 BUDGET	GROWTH RATE
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TS_O_M_NG_EPWP GRANT	- 1 452 000.00	- 1 452 000.00	- 2 211 000.00	52.27	-	- 100.00	-	-
TS_O_M_NG_RURAL ROAD ASSET MNG SYS GRANT (RRAMS)	- 2 761 000.00	- 2 761 000.00	- 2 884 000.00	4.45	- 3 016 000.00	4.58	- 3 152 000.00	4.51
ENERGY EFFICIENCY AND DEMAND-SIDE MAN GRANT	- 4 000 000.00	- 4 000 000.00	- 4 000 000.00	-	- 4 000 000.00	-	-	- 100.00
<b>TOTAL ALLOCATIONS DR KKDM</b>	<b>- 227 522 000.00</b>	<b>- 227 522 000.00</b>	<b>- 235 271 000.00</b>	<b>3.41</b>	<b>- 241 362 000.00</b>	<b>2.59</b>	<b>- 248 147 000.00</b>	<b>2.81</b>

- The proposed Transfers and Subsidies for the 2025/26 financial year have been appropriated at **R235.2 Million**. This indicates that the Conditional and Unconditional Grants allocated to DR KKDM only increased by 3.41% or **R7.7 Million** for the 2025/6 financial year when compared to the 2024/25 Adjustment Budget.
- The below mentioned Grants and Subsidies led to the 3.41% or **R7.7 Million** increase:
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  - ❖ Equitable Share decreased by **R522 Thousand** or 1.56%.
  - ❖ Financial Management Grant (FMG) increased by **R100 Thousand** or 10.00%.
  - ❖ Expanded Public Work Programme (EPWP) has been increased by **R759 Thousand** or 52.27%.
  - ❖ Rural Road Asset Management System Grant (RRAMS) has been increased by **R123 Thousand** or 4.45%.
  - ❖ Energy and Efficiency and Demand-Side Management Grant remains at **R4 Million**.

The draft annual budget for 2025/26 budget year is to give effect to Dr Kenneth Kaunda District Municipality's service delivery priorities and objectives, thereby fulfilling the needs as depicted in the Integrated Development Plan (IDP).

The allocation on Transfers and subsidies as depicted in the summary totals is made up of District Economic Development and Office of the Executive Mayor.

It is against this background that financial and technical support to Small Medium and Micro Enterprises and Cooperatives is an integral part of the Dr Kenneth Kaunda District Municipality's Local Economic Development strategy. The District is therefore supporting community-based initiatives through conditional grants for viable business plans. This will support a meaningful District Economic Development initiative that foster micro and small business opportunities and job creation.

The objectives of LED and Planning the grants funding is to bring in new category of entrepreneurs presently constrained by limited access to funding, to broaden access through new funding, flexible instruments and leverage with selected partners thus providing the tools with which to share in the growing South African economy, to introduce flexibility in services delivery and accommodate the special circumstances of women owned and run enterprises both as regards funding range and type of facility offered.

For the current year the Office of the Executive Mayor will award study bursaries to deserving Students within the Dr Kenneth Kaunda District Municipality for social contribution.

There is a portion allocated for Special projects in the Office of the Executive Mayor which includes amongst others:

- Career development and support programs with the Dr Kenneth Kaunda District Municipality;
- Partnership initiatives supported to unlock youth economic and social development
- Food parcels supplied to the distressed families within the Dr Kenneth Kaunda District Municipality;
- Youth health, safety and crime prevention programs within the district;
- Sessions to be held for Disability organisations supported with compliance and legislation;
- Organisation for Elderly people supported to improve mobility, access, economic, healthy living support;
- GBV and Femicide Community engagements within the Dr Kenneth Kaunda District Municipality.

**The main challenges experienced during the compilation of the 2024/25 MTREF can be summarised as follows:**

- The dependency on grants available for funding; operating grants and subsidies makes it difficult to contribute towards capital budget.
- The ongoing difficulties in the national and local economy due the persistent high unemployed remains one of the country's pressing challenges.
- A provision for contribution to the capital replacement reserve (CRR) in the operating budget has been made in order to grow our reserve.
- The need to reprioritise projects and expenditure within the limited existing resource envelope.
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies

## 1.4. Annual Budget Tables (Parent Municipality)

### (Table A1 Budget Summary)

DC40 Dr Kenneth Kaunda - Table A1 Budget Summary										
Description	2019/20	2020/21	2023/24	2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Financial Performance</b>										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–	–
Investment revenue	–	–	–	8 980	8 980	8 980	2 673	9 500	9 937	10 374
Transfer and subsidies - Operational	–	–	–	46 216	46 216	46 216	29 597	45 176	43 076	40 892
Other own revenue	–	–	–	185 976	186 286	186 286	139 609	193 795	202 156	211 295
<b>Total Revenue (excluding capital transfers and contributions)</b>	–	–	–	241 172	241 482	241 482	171 879	248 471	255 169	262 562
Employee costs	–	–	–	134 490	138 748	138 748	102 848	144 713	151 370	158 030
Remuneration of councillors	–	–	–	13 192	13 192	39 971	8 133	13 588	14 213	14 838
Depreciation and amortisation	–	–	–	–	7 184	6 989	–	7 184	7 514	7 648
Interest	–	–	–	–	–	–	–	–	–	–
Inventory consumed and bulk purchases	–	–	–	5 055	4 430	13 685	1 986	4 200	4 393	4 587
Transfers and subsidies	–	–	–	4 530	1 900	10 680	962	4 250	4 446	4 641
Other expenditure	–	–	–	76 509	81 673	81 673	41 586	74 386	72 230	70 591
<b>Total Expenditure</b>	–	–	–	240 959	247 127	291 746	155 515	248 320	254 166	260 335
<b>Surplus/(Deficit)</b>	–	–	–	213	(5 645)	(50 264)	16 364	151	1 004	2 226
Transfers and subsidies - capital (monetary allocations)	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	–	–	–	213	(5 645)	(50 264)	16 364	151	1 004	2 226
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>	–	–	–	213	(5 645)	(50 264)	16 364	151	1 004	2 226
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	–	–	–	29 950	19 160	29 950	3 132	16 050	9 500	5 200
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	29 950	19 160	29 950	3 132	16 050	9 500	5 200
<b>Total sources of capital funds</b>	–	–	–	29 950	19 160	29 950	3 132	16 050	9 500	5 200
<b>Financial position</b>										
Total current assets	–	–	–	35 968	(96 057)	35 968	127 704	25 914	6 648	12 059
Total non current assets	–	–	–	148 361	87 495	58 336	90 110	49 234	7 734	3 891
Total current liabilities	–	–	–	288 443	54 075	288 864	53 823	(11 845)	(4 594)	(4 215)
Total non current liabilities	–	–	–	–	(17 106)	–	17 106	(17 106)	–	–
Community wealth/Equity	–	–	–	–	–	–	–	–	–	–
<b>Cash flows</b>										
Net cash from (used) operating	(595)	(595)	(595)	7 397	(14 238)	(21 747)	16 364	7 334	8 518	9 875
Net cash from (used) investing	14 674	14 674	14 674	(29 950)	184 188	192 293	121 100	(16 050)	(9 500)	(5 200)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–
<b>Cash/cash equivalents at the year end</b>	14 079	14 079	14 079	35 427	208 526	209 122	144 937	29 860	28 878	33 553
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	–	–	–	35 547	(47 077)	35 547	95 761	36 630	6 648	12 059
Application of cash and investments	–	–	–	(1 067)	23 014	26 186	7 007	19 292	(2 880)	(3 007)
<b>Balance - surplus (shortfall)</b>	–	–	–	36 613	(70 091)	9 361	88 755	17 338	9 528	15 067
<b>Asset management</b>										
Asset register summary (WDV)	–	–	–	64 489	365 692	365 692	63 386	63 386	106 119	105 719
Depreciation	–	–	–	7 184	7 184	7 184	7 184	7 184	7 514	7 648
Renewal and Upgrading of Existing Assets	–	–	–	1 000	1 500	1 500	2 500	2 500	2 000	1 600
Repairs and Maintenance	–	–	–	3 500	2 600	2 900	3 530	3 530	3 214	2 998
<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:	–	–	–	–	–	–	–	–	–	–

### MBRR Table A1 - Budget Summary

Table A1 is a budget summary and provides a concise overview of the District budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

The table provides an overview of the amounts approved by Council for operating Performance, resources deployed to capital expenditure, financial position, cash and



funding Compliance, Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:

- The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
- Capital expenditure is balanced by capital funding sources, of which Transfers recognised is reflected on the Financial Performance Budget;
- Operating surplus and accumulated cash-backed surpluses from previous years.

The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.

The Cash backing/surplus reconciliation shows that there are long term obligations which are not cash backed in a single budget year but over multiple years.

Council has taken a deliberate decision to ensure adequate Cash-backing for all material obligations in accordance with the adopted Funding and Reserves Policy. This cannot be achieved in one financial year. It is anticipated that the goal of having all obligations cash-backed will be achieved when a small surplus is reflected due to most contracts ceasing.

As part of the budgeting and planning guidelines that informed the compilation of the 2025/26 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

**Table A2 - Budgeted Financial Performance (revenue and expenditure by Functional standard classification)**

DC40 Dr Kenneth Kaunda - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2019/20	2020/21	2023/24	2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		-	-	-	232 309	231 969	231 969	238 076	246 793	257 990
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	232 309	231 969	231 969	238 076	246 793	257 990
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	650	1 300	1 300	1 300	1 360	1 420
Community and social services		-	-	-	650	1 300	1 300	1 300	1 360	1 420
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	8 213	8 213	8 213	9 095	7 016	3 152
Planning and development		-	-	-	8 213	8 213	8 213	9 095	7 016	3 152
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	-	-	-	<b>241 172</b>	<b>241 482</b>	<b>241 482</b>	<b>248 471</b>	<b>255 169</b>	<b>262 562</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		-	-	-	143 521	148 996	148 996	143 620	147 684	153 755
Executive and council		-	-	-	67 373	69 050	69 050	66 697	69 765	72 834
Finance and administration		-	-	-	68 218	72 219	72 219	69 242	69 885	72 533
Internal audit		-	-	-	7 931	7 727	7 727	7 681	8 035	8 388
<i>Community and public safety</i>		-	-	-	62 079	63 447	63 447	66 310	69 360	72 412
Community and social services		-	-	-	62 079	63 447	63 447	66 310	69 360	72 412
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	35 358	34 684	34 684	38 390	37 121	34 168
Planning and development		-	-	-	35 358	34 684	34 684	38 390	37 121	34 168
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>3</b>	-	-	-	<b>240 959</b>	<b>247 127</b>	<b>247 127</b>	<b>248 320</b>	<b>254 166</b>	<b>260 335</b>
<b>Surplus/(Deficit) for the year</b>		-	-	-	<b>213</b>	<b>(5 645)</b>	<b>(5 645)</b>	<b>151</b>	<b>1 004</b>	<b>2 226</b>

**MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by Functional standard classification)**

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

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

Other functions that show a deficit between revenue and expenditure are being financed from operational grants and other revenue sources reflected under the Budget and treasury.

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

DC40 Dr Kenneth Kaunda - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2019/20	2020/21	2023/24	2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER ADMINISTRATION		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES ADMINISTRATION		-	-	-	3 500	3 500	3 500	2 250	2 354	2 457
Vote 4 - FINANCIAL SERVICES ADMINISTRATION		-	-	-	228 809	228 809	228 809	235 826	244 440	255 533
Vote 5 - COMMUNITY AND SOCIAL SERVICES		-	-	-	650	1 300	650	1 300	1 360	1 420
Vote 6 - LED PLANNING AND DEVELOPMENT		-	-	-	8 213	8 213	8 213	9 095	7 016	3 152
Vote 7 - INTERNAL AUDIT		-	-	-	-	-	-	-	-	-
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	-	-	-	241 172	241 482	241 172	248 471	255 169	262 562
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	26 016	26 559	26 016	23 313	24 386	25 458
Vote 2 - MUNICIPAL MANAGER ADMINISTRATION		-	-	-	41 356	42 491	41 356	43 384	45 379	47 376
Vote 3 - CORPORATE SERVICES ADMINISTRATION		-	-	-	37 328	36 398	37 328	34 190	35 763	37 336
Vote 4 - FINANCIAL SERVICES ADMINISTRATION		-	-	-	30 890	35 821	30 890	35 052	34 122	35 196
Vote 5 - COMMUNITY AND SOCIAL SERVICES		-	-	-	62 079	63 447	62 079	66 310	69 360	72 412
Vote 6 - LED PLANNING AND DEVELOPMENT		-	-	-	35 358	34 684	35 358	38 390	37 121	34 168
Vote 7 - INTERNAL AUDIT		-	-	-	7 931	7 727	7 931	7 681	8 035	8 388
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	-	-	-	240 959	247 127	240 959	248 320	254 166	260 335
<b>Surplus/(Deficit) for the year</b>	2	-	-	-	213	(5 645)	213	151	1 004	2 226

**MBRR Table A3 - Budgeted Financial Performance (revenue and Expenditure by municipal vote)**

Table A3 is a view of the budgeted financial performance in relation to the revenue and Expenditure per municipal vote. This table facilitates the view of the budgeted operating

Performance in relation to the organisational structure of the district. This means it is not possible to present the operating surplus or deficit of a department or section as 95% of total revenue result from transfers from National treasury.

## Table A4 - Budgeted Financial Performance (revenue and expenditure)

DC40 Dr Kenneth Kaunda - Table A4 Budgeted Financial Performance (revenue and expenditure)

DC4U Dr Kenneth Kaunda - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2019/20	2020/21	2023/24	2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1										
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	-	-	-	-	-	-	-	-	-	-
Sale of Goods and Rendering of Services		-	-	-	200	150	150	4	120	126	131
Agency services		-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		-	-	-	8 980	8 980	8 980	2 673	9 500	9 937	10 374
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		-	-	-	-	-	-	-	250	262	273
Licence and permits		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	320	30	30	-	30	31	33
Non-Exchange Revenue											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-
Licences or permits		-	-	-	650	1 300	1 300	1 141	1 300	1 360	1 420
Transfer and subsidies - Operational		-	-	-	46 216	46 216	46 216	29 597	45 176	43 076	40 892
Interest		-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	184 806	184 806	184 806	138 464	192 095	200 378	209 439
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contrib		-	-	-	241 172	241 482	241 482	171 879	248 471	255 169	262 562
Expenditure											
Employee related costs	2	-	-	-	134 490	138 748	138 748	102 848	144 713	151 370	158 030
Remuneration of councillors		-	-	-	13 192	13 192	39 971	8 133	13 588	14 213	14 838
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	-	-	-	5 055	4 430	13 685	1 986	4 200	4 393	4 587
Debt impairment	3	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation		-	-	-	7 184	7 184	6 989	-	7 184	7 514	7 648
Interest		-	-	-	-	-	-	-	-	-	-
Contracted services		-	-	-	40 373	45 745	45 745	22 673	44 685	41 163	38 157
Transfers and subsidies		-	-	-	4 530	1 900	10 680	962	4 250	4 446	4 641
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-
Operational costs		-	-	-	36 136	35 928	35 928	18 913	29 701	31 067	32 434
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-
Total Expenditure		-	-	-	240 959	247 127	291 746	155 515	248 320	254 166	260 335
Surplus/(Deficit)		-	-	-	213	(5 645)	(50 264)	16 364	151	1 004	2 226
Transfers and subsidies - capital (monetary	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-	-	-	213	(5 645)	(50 264)	16 364	151	1 004	2 226
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		-	-	-	213	(5 645)	(50 264)	16 364	151	1 004	2 226
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		-	-	-	213	(5 645)	(50 264)	16 364	151	1 004	2 226
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	-	-	-	213	(5 645)	(50 264)	16 364	151	1 004	2 226

## MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

- The proposed operating revenue for the 2025/26 financial year has been appropriated at **R248.4 Million**. The operating revenue has increased by 2.89% or **R6.9 Million** for the 2025/26 financial year when compared to the 2024/25 Adjustment Budget.
- Transfers recognised – operating includes the local government equitable share and other operating grants. It needs to be noted that in real terms of the grants receipts from national government are growing rapidly over the MTREF by 3.41% 2025/26, 2.59% in 2026/27 and 2.81% in 2027/28 budget year and the budget is primarily funded from grants receipts from National

Treasury which forms a major portion of sources of revenue at 95.88% of the total Revenue.

- The proposed operating expenditure for the 2025/26 financial year has been appropriated at **R248.3 Million** and translates into a budgeted cash surplus of **R150 Thousand** before the reversal of a non-cash items of **R7.1 Million**. The operating expenditure has increased by 0.48% or **R1.1 Million** in the 2025/26 financial year when compared to the 2024/25 Adjustment Budget

**Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**

Vote Description	Ref	2019/20	2020/21	2023/24	2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER ADMINISTRATION		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES ADMINISTRATION		-	-	-	-	-	-	-	-	-	-
Vote 4 - FINANCIAL SERVICES ADMINISTRATION		-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY AND SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 6 - LED PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 7 - INTERNAL AUDIT		-	-	-	-	-	-	-	-	-	-
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>Capital multi-year expenditure sub-total</b>	7	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	2 124	-	-	-
Vote 2 - MUNICIPAL MANAGER ADMINISTRATION		-	-	-	300	400	300	1 219	400	200	150
Vote 3 - CORPORATE SERVICES ADMINISTRATION		-	-	-	8 000	6 100	8 000	6 724	3 700	4 100	2 050
Vote 4 - FINANCIAL SERVICES ADMINISTRATION		-	-	-	1 200	2 400	1 200	140 406	2 450	700	-
Vote 5 - COMMUNITY AND SOCIAL SERVICES		-	-	-	14 250	6 260	14 250	8 180	2 800	2 300	1 300
Vote 6 - LED PLANNING AND DEVELOPMENT		-	-	-	6 200	4 000	6 200	35 121	6 700	2 200	1 700
Vote 7 - INTERNAL AUDIT		-	-	-	-	-	-	317	-	-	-
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>Capital single-year expenditure sub-total</b>		-	-	-	29 950	19 160	29 950	194 090	16 050	9 500	5 200
<b>Total Capital Expenditure - Vote</b>		-	-	-	29 950	19 160	29 950	194 090	16 050	9 500	5 200
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		-	-	-	9 500	8 900	9 500	3 132	6 550	5 000	2 200
Executive and council		-	-	-	300	400	300	-	400	200	150
Finance and administration		-	-	-	9 200	8 500	9 200	3 132	6 150	4 800	2 050
Internal audit		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	-	-	14 250	6 260	14 250	-	2 800	2 300	1 300
Community and social services		-	-	-	14 250	6 260	14 250	-	2 800	2 300	1 300
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	-	-	6 200	4 000	6 200	-	6 700	2 200	1 700
Planning and development		-	-	-	6 200	4 000	6 200	-	6 700	2 200	1 700
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	-	-	-	29 950	19 160	29 950	3 132	16 050	9 500	5 200
<b>Funded by:</b>											
National Government		-	-	-	-	-	-	-	-	-	-
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	-	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		-	-	-	29 950	19 160	29 950	3 132	16 050	9 500	5 200
<b>Total Capital Funding</b>	7	-	-	-	29 950	19 160	29 950	3 132	16 050	9 500	5 200

**MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**

- Table A5 is a breakdown of the capital budget in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
- The proposed capital budget for the 2025/26 financial year has been appropriated at **R16 Million**. The capital expenditure has decreased by 16.23% or R3.1 Million when compared to the 2024/25 Adjustment Budget. The capital expenditure will decrease by 40.81% or **R6.5 Million** and 45.26% or **R4.3 Million** respectively. The capital budget will be funded internally.

## Table A6 - Budgeted Financial Position

DC40 Dr Kenneth Kaunda - Table A6 Budgeted Financial Position

Description	Ref	2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year	Budget Year +1	Budget Year +2
<b>R thousand</b>								
<b>ASSETS</b>								
<b>Current assets</b>								
Cash and cash equivalents		35 427	(47 197)	35 427	95 761	27 138	6 648	12 059
Trade and other receivables from exchange transactions	1	542	253	542	961	542	-	-
Receivables from non-exchange transactions	1	-	-	-	-	-	-	-
Current portion of non-current receivables		-	-	-	-	-	-	-
Inventory	2	-	(4 430)	-	66	-	-	-
VAT		-	(42 917)	-	29 516	-	-	-
Other current assets		-	(1 765)	-	1 400	(1 765)	-	-
<b>Total current assets</b>		<b>35 968</b>	<b>(96 057)</b>	<b>35 968</b>	<b>127 704</b>	<b>25 914</b>	<b>6 648</b>	<b>12 059</b>
<b>Non current assets</b>								
Investments		120	120	120	-	120	-	-
Investment property		-	-	-	-	-	-	-
Property, plant and equipment	3	138 116	78 263	48 091	74 125	39 952	6 850	4 400
Biological assets		-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-
Intangible assets		10 125	9 111	10 125	15 985	9 161	884	(509)
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>148 361</b>	<b>87 495</b>	<b>58 336</b>	<b>90 110</b>	<b>49 234</b>	<b>7 734</b>	<b>3 891</b>
<b>TOTAL ASSETS</b>		<b>184 329</b>	<b>(8 562)</b>	<b>94 305</b>	<b>217 814</b>	<b>75 148</b>	<b>14 381</b>	<b>15 951</b>
<b>LIABILITIES</b>								
<b>Current liabilities</b>								
Bank overdraft		-	-	-	-	-	-	-
Financial liabilities		(421)	(421)	-	-	421	-	-
Consumer deposits		-	-	-	-	-	-	-
Trade and other payables from exchange transactions	4	303 642	72 462	303 642	34 790	6 554	(1 714)	(1 208)
Trade and other payables from non-exchange transactions	5	5 718	2 530	5 718	98	1 676	(2 880)	(3 007)
Provision		(20 496)	(20 496)	(20 496)	22 606	(20 496)	-	-
VAT		-	-	-	(3 670)	-	-	-
Other current liabilities		-	-	-	-	-	-	-
<b>Total current liabilities</b>		<b>288 443</b>	<b>54 075</b>	<b>288 864</b>	<b>53 823</b>	<b>(11 845)</b>	<b>(4 594)</b>	<b>(4 215)</b>
<b>Non current liabilities</b>								
Financial liabilities	6	-	-	-	-	-	-	-
Provision	7	-	-	-	-	-	-	-
Long term portion of trade payables		-	-	-	-	-	-	-
Other non-current liabilities		-	(17 106)	-	17 106	(17 106)	-	-
<b>Total non current liabilities</b>		<b>-</b>	<b>(17 106)</b>	<b>-</b>	<b>17 106</b>	<b>(17 106)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>288 443</b>	<b>36 969</b>	<b>288 864</b>	<b>70 929</b>	<b>(28 951)</b>	<b>(4 594)</b>	<b>(4 215)</b>
<b>NET ASSETS</b>		<b>(104 113)</b>	<b>(45 531)</b>	<b>(194 559)</b>	<b>146 885</b>	<b>104 099</b>	<b>18 975</b>	<b>20 166</b>
<b>COMMUNITY WEALTH/EQUITY</b>								
Accumulated surplus/(deficit)	8	-	-	-	-	-	-	-
Reserves and funds	9	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	10	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## MBRR Table A6 - Budgeted Financial Position

Table A6 is consistent with international standards of good financial management practice, and improves understanding for councillors and management of the impact of the budget on the statement of financial position (balance sheet).

This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. Municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt.

## Table A7 - Budgeted Cash Flow Statement

DC40 Dr Kenneth Kaunda - Table A7 Budgeted Cash Flows

DC40 Dr Kenneth Kaunda - Table A7/ Budgeted Cash Flows												
Description		Ref	2019/20	2020/21	2023/24	2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>												
<b>Receipts</b>												
Property rates			–	–	–	–	–	–	–	–	–	–
Service charges			–	–	–	–	–	–	–	–	–	–
Other revenue			31	31	31	189 476	387	404	4	370	387	404
Transfers and Subsidies - Operational		1	3	3	3	35 955	31	33	–	30	31	33
Transfers and Subsidies - Capital		1	19 274	19 274	19 274	6 761	229 242	227 118	169 202	238 571	244 814	251 751
Interest			792	792	792	8 980	9 937	10 374	2 673	9 500	9 937	10 374
Dividends			–	–	–	–	–	–	–	–	–	–
<b>Payments</b>												
Suppliers and employees			(20 339)	(20 339)	(20 339)	(229 245)	(249 390)	(255 034)	(154 553)	(236 887)	(242 206)	(248 046)
Interest			–	–	–	–	–	–	–	–	–	–
Transfers and Subsidies		1	(354)	(354)	(354)	(4 530)	(4 446)	(4 641)	(962)	(4 250)	(4 446)	(4 641)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			(595)	(595)	(595)	7 397	(14 238)	(21 747)	16 364	7 334	8 518	9 875
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>												
<b>Receipts</b>												
Proceeds on disposal of PPE			–	–	–	–	–	–	–	–	–	–
			12 059	12 059	12 059	–	151 370	158 030	102 848	–	–	–
Decrease (increase) in non-current receivables			13 192	13 192	13 192	–	165 583	172 868	110 981	–	–	–
Decrease (increase) in non-current investments			1 132	1 132	1 132	–	14 213	14 838	8 133	–	–	–
<b>Payments</b>												
Capital assets			350	350	350	(29 950)	4 393	4 587	1 986	(16 050)	(9 500)	(5 200)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			14 674	14 674	14 674	(29 950)	184 188	192 293	121 100	(16 050)	(9 500)	(5 200)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>												
<b>Receipts</b>												
Short term loans			–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing			–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits			–	–	–	–	–	–	–	–	–	–
<b>Payments</b>												
Repayment of borrowing			–	–	–	–	–	–	–	–	–	–
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			–	–	–	–	–	–	–	–	–	–
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>			14 079	14 079	14 079	(22 553)	169 950	170 546	137 464	(8 716)	(982)	4 675
Cash/cash equivalents at the year begin:		2	–	–	–	57 980	38 576	38 576	7 473	38 576	29 860	28 878
Cash/cash equivalents at the year end:		2	14 079	14 079	14 079	35 427	208 526	209 122	144 937	29 860	28 878	33 553

## MBRR Table A7 - Budgeted Cash Flow Statement



The budgeted cash flow statement is the first measurement in determining if the budget is funded.

It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

As part of the 2025/26 Budget the unsustainable cash position had to be addressed as a matter of urgency and various interventions were implemented such as the reduction of expenditure allocations and rationalization of spending priorities.

The 2025/26 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.

**Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**

DC40 Dr Kenneth Kaunda - Table A8 Cash backed reserves/accumulated surplus reconciliation

DC40 Dr Kenneth Kaunda - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2019/20	2020/21	2023/24	2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	–	–	–	57 980	38 576	38 576	7 473	38 576	29 860	28 878
Other current investments > 90 days		–	–	–	(22 553)	(85 773)	(3 149)	88 288	(2 066)	(23 213)	(16 819)
Non current Investments	1	–	–	–	120	120	120	–	120	–	–
Cash and investments available:		–	–	–	35 547	(47 077)	35 547	95 761	36 630	6 648	12 059
Application of cash and investments											
Unspent conditional transfers		–	–	–	–	–	–	–	(1 496)	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	–	–	29 516	–	–	–
Other working capital requirements	3	–	–	–	(21 563)	2 518	5 690	97	(1 296)	(2 880)	(3 007)
Other provisions		–	–	–	20 496	20 496	20 496	(22 606)	20 496	–	–
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	1 588	–	–
Total Application of cash and investments:		–	–	–	(1 067)	23 014	26 186	7 007	19 292	(2 880)	(3 007)
Surplus(shortfall) - Excluding Non-Current Creditors Trf to D		–	–	–	36 613	(70 091)	9 361	88 755	17 338	9 528	15 067
Creditors transferred to Debt Relief - Non-Current portion		–	–	–	–	–	–	–	–	–	–
Surplus(shortfall) - Including Non-Current Creditors Trf to D		–	–	–	36 613	(70 091)	9 361	88 755	17 338	9 528	15 067

**MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.

In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

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

The Cash backing/surplus reconciliation shows that there are long term obligations which are not cash backed in a single budget year but over multiple years.

Council has taken a deliberate decision to ensure adequate Cash-backing for all material obligations in accordance with the adopted Funding and Reserves Policy. This cannot be achieved in one financial year. It is anticipated that the goal of having all obligations cash-backed will be achieved when a small surplus is reflected due to most contracts ceasing

Compliance with section 18 of the MFMA is assumed because a surplus would directly indicate that the annual budget is appropriately funded and considering the requirements of section 18 of the MFMA.

As part of the budgeting and planning guidelines that informed the compilation of the 2025/26 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

# Table A9 - Asset Management

DC40 Dr Kenneth Kaunda - Table A9 Asset Management

Description	Ref	2019/20	2020/21	2023/24	2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>										
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	—	—	—	28 950	17 660	17 660	13 550	7 500	3 600
<i>Roads Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Storm water Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Electrical Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Water Supply Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Sanitation Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Solid Waste Infrastructure</i>		—	—	—	1 000	—	—	1 500	1 500	1 500
<i>Rail Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Coastal Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Information and Communication Infrastructure</i>		—	—	—	—	—	—	—	—	—
<b>Infrastructure</b>		—	—	—	1 000	—	—	1 500	1 500	1 500
<i>Community Facilities</i>		—	—	—	4 500	2 000	2 000	3 500	—	—
<i>Sport and Recreation Facilities</i>		—	—	—	—	—	—	—	—	—
<b>Community Assets</b>		—	—	—	4 500	2 000	2 000	3 500	—	—
<b>Heritage Assets</b>		—	—	—	—	—	—	—	—	—
<i>Revenue Generating</i>		—	—	—	—	—	—	—	—	—
<i>Non-revenue Generating</i>		—	—	—	—	—	—	—	—	—
<b>Investment properties</b>		—	—	—	—	—	—	—	—	—
<i>Operational Buildings</i>		—	—	—	2 000	500	500	2 000	200	100
<i>Housing</i>		—	—	—	—	—	—	—	—	—
<b>Other Assets</b>		—	—	—	2 000	500	500	2 000	200	100
<b>Biological or Cultivated Assets</b>		—	—	—	—	—	—	—	—	—
<i>Servitudes</i>		—	—	—	—	—	—	—	—	—
<i>Licences and Rights</i>		—	—	—	3 800	2 800	2 800	2 850	850	—
<b>Intangible Assets</b>		—	—	—	3 800	2 800	2 800	2 850	850	—
<i>Computer Equipment</i>		—	—	—	2 500	1 500	1 500	1 000	2 000	1 000
<i>Furniture and Office Equipment</i>		—	—	—	2 100	1 400	1 400	300	1 200	400
<i>Machinery and Equipment</i>		—	—	—	4 550	2 140	2 140	400	1 250	250
<b>Transport Assets</b>		—	—	—	8 500	7 320	7 320	2 000	500	350
<i>Land</i>		—	—	—	—	—	—	—	—	—
<i>Zoo's, Marine and Non-biological Animals</i>		—	—	—	—	—	—	—	—	—
<i>Mature</i>		—	—	—	—	—	—	—	—	—
<i>Immature</i>		—	—	—	—	—	—	—	—	—
<b>Living Resources</b>		—	—	—	—	—	—	—	—	—
<b>Total Renewal of Existing Assets</b>	2	—	—	—	1 000	1 500	1 500	2 500	2 000	1 600
<i>Roads Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Storm water Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Electrical Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Water Supply Infrastructure</i>		—	—	—	1 000	1 500	1 500	2 500	2 000	1 600
<i>Sanitation Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Solid Waste Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Rail Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Coastal Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Information and Communication Infrastructure</i>		—	—	—	—	—	—	—	—	—
<b>Infrastructure</b>		—	—	—	1 000	1 500	1 500	2 500	2 000	1 600
<i>Community Facilities</i>		—	—	—	—	—	—	—	—	—
<i>Sport and Recreation Facilities</i>		—	—	—	—	—	—	—	—	—
<b>Community Assets</b>		—	—	—	—	—	—	—	—	—
<b>Heritage Assets</b>		—	—	—	—	—	—	—	—	—
<i>Revenue Generating</i>		—	—	—	—	—	—	—	—	—
<i>Non-revenue Generating</i>		—	—	—	—	—	—	—	—	—
<b>Investment properties</b>		—	—	—	—	—	—	—	—	—
<i>Operational Buildings</i>		—	—	—	—	—	—	—	—	—
<i>Housing</i>		—	—	—	—	—	—	—	—	—
<b>Other Assets</b>		—	—	—	—	—	—	—	—	—
<b>Biological or Cultivated Assets</b>		—	—	—	—	—	—	—	—	—
<i>Servitudes</i>		—	—	—	—	—	—	—	—	—
<i>Licences and Rights</i>		—	—	—	—	—	—	—	—	—
<b>Intangible Assets</b>		—	—	—	—	—	—	—	—	—
<i>Computer Equipment</i>		—	—	—	—	—	—	—	—	—
<i>Furniture and Office Equipment</i>		—	—	—	—	—	—	—	—	—
<i>Machinery and Equipment</i>		—	—	—	—	—	—	—	—	—
<b>Transport Assets</b>		—	—	—	—	—	—	—	—	—
<i>Land</i>		—	—	—	—	—	—	—	—	—
<i>Zoo's, Marine and Non-biological Animals</i>		—	—	—	—	—	—	—	—	—
<i>Mature</i>		—	—	—	—	—	—	—	—	—
<i>Immature</i>		—	—	—	—	—	—	—	—	—
<b>Living Resources</b>		—	—	—	—	—	—	—	—	—
<b>Total Upgrading of Existing Assets</b>	6	—	—	—	—	—	—	—	—	—
<i>Roads Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Storm water Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Electrical Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Water Supply Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Sanitation Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Solid Waste Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Rail Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Coastal Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Information and Communication Infrastructure</i>		—	—	—	—	—	—	—	—	—
<b>Infrastructure</b>		—	—	—	—	—	—	—	—	—
<i>Community Facilities</i>		—	—	—	—	—	—	—	—	—
<i>Sport and Recreation Facilities</i>		—	—	—	—	—	—	—	—	—
<b>Community Assets</b>		—	—	—	—	—	—	—	—	—
<b>Heritage Assets</b>		—	—	—	—	—	—	—	—	—
<i>Revenue Generating</i>		—	—	—	—	—	—	—	—	—
<i>Non-revenue Generating</i>		—	—	—	—	—	—	—	—	—
<b>Investment properties</b>		—	—	—	—	—	—	—	—	—
<i>Operational Buildings</i>		—	—	—	—	—	—	—	—	—
<i>Housing</i>		—	—	—	—	—	—	—	—	—
<b>Other Assets</b>		—	—	—	—	—	—	—	—	—
<b>Biological or Cultivated Assets</b>		—	—	—	—	—	—	—	—	—
<i>Servitudes</i>		—	—	—	—	—	—	—	—	—
<i>Licences and Rights</i>		—	—	—	—	—	—	—	—	—
<b>Intangible Assets</b>		—	—	—	—	—	—	—	—	—
<i>Computer Equipment</i>		—	—	—	—	—	—	—	—	—
<i>Furniture and Office Equipment</i>		—	—	—	—	—	—	—	—	—
<i>Machinery and Equipment</i>		—	—	—	—	—	—	—	—	—
<b>Transport Assets</b>		—	—	—	—	—	—	—	—	—
<i>Land</i>		—	—	—	—	—	—	—	—	—
<i>Zoo's, Marine and Non-biological Animals</i>		—	—	—	—	—	—	—	—	—
<i>Mature</i>		—	—	—	—	—	—	—	—	—
<i>Immature</i>		—	—	—	—	—	—	—	—	—
<b>Living Resources</b>		—	—	—	—	—	—	—	—	—
<b>Total Capital Expenditure</b>	4	—	—	—	29 950	19 160	19 160	16 050	9 500	5 200
<i>Roads Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Storm water Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Electrical Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Water Supply Infrastructure</i>		—	—	—	1 000	1 500	1 500	2 500	2 000	1 600
<i>Sanitation Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Solid Waste Infrastructure</i>		—	—	—	1 000	—	—	1 500	1 500	1 500
<i>Rail Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Coastal Infrastructure</i>		—	—	—	—	—	—	—	—	—
<i>Information and Communication Infrastructure</i>		—	—	—	—	—	—	—	—	—
<b>Infrastructure</b>		—	—	—	2 000	1 500	1 500	4 000	3 500	3 100
<i>Community Facilities</i>		—	—	—	4 500	2 000	2 000	3 500	—	—
<i>Sport and Recreation Facilities</i>		—	—	—	—	—	—	—	—	—
<b>Community Assets</b>		—	—	—	4 500	2 000	2 000	3 500	—	—
<b>Heritage Assets</b>		—	—	—	—	—	—	—	—	—
<i>Revenue Generating</i>		—	—	—	—	—	—	—	—	—
<i>Non-revenue Generating</i>		—	—	—	—	—	—	—	—	—
<b>Investment properties</b>		—	—	—	—	—	—	—	—	—
<i>Operational Buildings</i>		—	—	—	2 000	500	500	2 000	200	100
<i>Housing</i>		—	—	—	—	—	—	—	—	—
<b>Other Assets</b>		—	—	—	2 000	500	500	2 000	200	100
<b>Biological or Cultivated Assets</b>		—	—	—	—	—	—	—	—	—
<i>Servitudes</i>		—	—	—	—	—	—	—	—	—
<i>Licences and Rights</i>		—	—	—	3 800	2 800	2 800	2 850	850	—
<b>Intangible Assets</b>		—	—	—	3 800	2 800	2 800	2 850	850	—
<i>Computer Equipment</i>		—	—	—	2 500	1 500	1 500	1 000	2 000	1 000
<i>Furniture and Office Equipment</i>		—	—	—	2 100	1 400	1 400	300	1 200	400
<i>Machinery and Equipment</i>		—	—	—	4 550	2 140	2 140	400	1 250	250
<b>Transport Assets</b>		—	—	—	8 500	7 320	7 320	2 000	500	350
<i>Land</i>		—	—	—	—	—	—	—	—	—
<i>Zoo's, Marine and Non-biological Animals</i>		—	—	—	—	—	—	—	—	—
<i>Mature</i>		—	—	—	—	—	—	—	—	—
<i>Immature</i>		—	—	—	—	—	—	—	—	—
<b>Living Resources</b>		—	—	—	—	—	—	—	—	—
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		—	—	—	29 950	19 160	19 160	16 050	9 500	5 200

<b>ASSET REGISTER SUMMARY - PPE (MDV)</b>	5	-	-	-	64 489	365 692	365 692	63 386	106 119	105 719
Roads Infrastructure	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	-	-	-	-	3 602	12 807	12 807	2 500	2 000	1 600
Sanitation Infrastructure	-	-	-	-	7 837	23 511	23 511	7 837	7 837	7 837
Solid Waste Infrastructure	-	-	-	-	1 000	2 500	2 500	1 000	1 000	1 000
Rail Infrastructure	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	542	136 188	136 188	542	542	542
<b>Infrastructure</b>	-	-	-	-	<b>12 981</b>	<b>175 006</b>	<b>175 006</b>	<b>11 879</b>	<b>11 379</b>	<b>10 979</b>
Community Assets	-	-	-	-	8 976	47 929	47 929	8 976	47 929	47 929
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	3 740	8 019	8 019	3 740	8 019	8 019
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	11 049	32 196	32 196	11 049	11 049	11 049
Computer Equipment	-	-	-	-	6 035	24 700	24 700	6 035	6 035	6 035
Furniture and Office Equipment	-	-	-	-	2 415	14 884	14 884	2 415	2 415	2 415
Machinery and Equipment	-	-	-	-	5 354	19 992	19 992	5 354	5 354	5 354
Transport Assets	-	-	-	-	13 939	42 966	42 966	13 939	13 939	13 939
Land	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
<b>Living Resources</b>	-	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (MDV)</b>	5	-	-	-	<b>64 489</b>	<b>365 692</b>	<b>365 692</b>	<b>63 386</b>	<b>106 119</b>	<b>105 719</b>
<b>EXPENDITURE OTHER ITEMS</b>	7	-	-	-	<b>10 684</b>	<b>9 784</b>	<b>10 084</b>	<b>10 714</b>	<b>10 728</b>	<b>10 647</b>
<b>Depreciation</b>	7	-	-	-	7 184	7 184	7 184	7 184	7 514	7 648
<b>Repairs and Maintenance by Asset Class</b>	3	-	-	-	<b>3 500</b>	<b>2 600</b>	<b>2 900</b>	<b>3 530</b>	<b>3 214</b>	<b>2 998</b>
Roads Infrastructure	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Heritage Assets</b>	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	2 450	1 850	1 850	2 150	1 771	1 491
Housing	-	-	-	-	-	-	-	-	-	-
<b>Other Assets</b>	-	-	-	-	<b>2 450</b>	<b>1 850</b>	<b>1 850</b>	<b>2 150</b>	<b>1 771</b>	<b>1 491</b>
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	300	-	300	200	209	218
Furniture and Office Equipment	-	-	-	-	250	170	170	80	84	87
Machinery and Equipment	-	-	-	-	400	80	80	650	680	710
Transport Assets	-	-	-	-	100	500	500	450	471	491
Land	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
<b>Mature</b>	-	-	-	-	-	-	-	-	-	-
<b>Immature</b>	-	-	-	-	-	-	-	-	-	-
<b>Living Resources</b>	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>	-	-	-	-	<b>10 684</b>	<b>9 784</b>	<b>10 084</b>	<b>10 714</b>	<b>10 728</b>	<b>10 647</b>
<b>Renewal and upgrading of Existing Assets as % of total capex</b>	0.0%	0.0%	0.0%	0.0%	3.3%	7.8%	7.8%	15.6%	21.1%	30.8%
<b>Renewal and upgrading of Existing Assets as % of deprecn</b>	0.0%	0.0%	0.0%	0.0%	13.9%	20.9%	20.9%	34.8%	26.6%	20.9%
<b>R&amp;M as a % of PPE &amp; Investment Property</b>	0.0%	0.0%	0.0%	0.0%	6.5%	0.8%	0.9%	6.7%	3.4%	3.2%
<b>Renewal and upgrading and R&amp;M as a % of PPE and Investment Proper</b>	0.0%	0.0%	0.0%	0.0%	8.4%	1.2%	1.3%	11.5%	5.5%	4.9%

## MBRR Table A9 - Asset Management

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

The District Municipality maintenance of equipment has decreased when compared to 2025/26 adjusted budget. Included in the repairs and maintenance of the municipality is, maintenance that needs to be done on municipal buildings, furniture,

office equipment, machinery and other equipment. Repairs and Maintenance amounts to **R3.5 Million** for 2025/26.

**Table A10 - Basic Service Delivery Measurement**

DC40 Dr Kenneth Kaunda - Table A10 Basic service delivery measurement

Description	Ref	2019/20	2020/21	2023/24	2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Household service targets</b>	1									
<u>Water:</u>										
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									
<u>Sanitation/sewerage:</u>										
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									
<u>Energy:</u>										
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									
<u>Refuse:</u>										
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)		--	--	--	--	--	--	--	--	--
<u>Informal Settlements</u>										
<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		--	--	--	--	--	--	--	--	--
<b>Total revenue cost of subsidised services provided</b>	6									

**MBRR Table A10 - Basic Service Delivery Measurement**

Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

## **PART 2: SUPPORTING DOCUMENTATION**

### **2.1. Overview of the annual budget process**

#### **Section 21 – Budget Preparation Process**

- The schedule of key deadlines (IDP/PMS & Budget process Plan) was tabled and published in August 2024 as per Council Resolution **ITEM A.233/08/2024**.
- The 2025/26 Draft Budget will be tabled together with the review of the IDP in council.
- The Final Budget will be tabled and approved by council not later than 31<sup>st</sup> of May 2025.

#### **OUTCOMES OF CONSULTATIVE PROCESS**

- After Council's approval of the adjustment budget on 25<sup>th</sup> February 2024 as per Council Resolution **ITEM.A 95/02/2025**.
- The following consultation processes and Meetings in terms of section 23 of the MFMA were held with identified stakeholders on the contents of the budget as well as on measurable performance indicators for the 2025/26 budget year:
  - Budget Strategic Sessions
  - Budget Steering Committee working sessions – HOD's / Unit Managers
  - Mayoral Committee meetings
  - Submission of the Draft IDP and Final Budget to Council (to be submitted to council meeting scheduled for May 2025)
  - Advertisement on a local newspaper once approved in council
  - Documents to be loaded on the Municipal Website as well as at local libraries within the District,
  - National Treasury and other sector departments as prescribed by section 23 of the MFMA.
- As a further enhancement to this, quarterly service targets and monthly financial targets are contained in the Service Delivery and Budget Implementation Plan (SDBIP). This must be approved by the Mayor within 28 days after the approval of the final budget and forms the basis for the Municipality's in year monitoring.
- The District developmental model was launched during the 2019/20 financial year and Technical IGR forum meetings were resuscitated. The forum played a very

important role for the alignment of three spheres of government's objectives, National, Provincial and Local government. The IDPs of three local and of the district are in fact the product of the collaboration of the Dr KKDM with the sector departments and the locals.

#### **2.2.1. Schedule of Key deadline**

**ITEM A.233/08/2024**

**SCHEDULE OF BUDGET KEY DEADLINES - 2025/2026**

**5/1/1**

#### **THEREFORE RESOLVED**

That the time schedule of budget key deadlines for 2025/2026 budget year is tabled before the Municipal Council for approval.

**DC40 Dr Kenneth Kaunda - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)**

2019-21 Medium-Term Revenue & Expenditure Framework - Strategic Objectives and Budget Overview												
Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2023/24	2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
SPATIAL RATIONALE			-	-	-	-	-	-	-	-	-	-
GOOD GOVERNANCE AND PUBLIC PARTICIPATION			-									
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT			-				228 809	228 469	228 469	235 826	244 440	255 533
DISTRICT ECONOMIC DEVELOPMENT			-				8 213	8 213	8 213	9 095	7 016	3 152
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT			-				3 500	3 500	3 500	2 250	2 354	2 457
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT			-				650	1 300	1 300	1 300	1 360	1 420
			-									
			-									
			-									
			-									
			-									
			-									
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	-	-	-	241 172	241 482	241 482	248 471	255 169	262 562

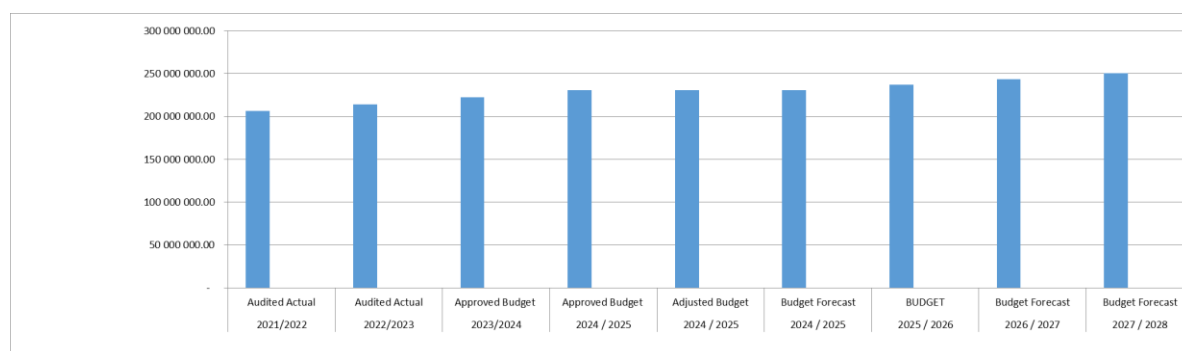
**DC40 Dr Kenneth Kaunda - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)**

Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2023/24	2024/25			2025/26 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	
<b>R thousand</b>													
SPATIAL RATIONALE			–				–	75 304	76 777	76 777	74 378	77 800	81 223
GOOD GOVERNANCE AND PUBLIC PARTICIPATION			–				30 890	35 821	35 821	35 052	34 122	35 196	
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT			–				35 358	34 684	34 684	38 390	37 121	34 168	
DISTRICT ECONOMIC DEVELOPMENT			–				37 328	36 398	36 398	34 190	35 763	37 336	
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT			–				62 079	63 447	63 447	66 310	69 360	72 412	
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT			–										
Allocations to other priorities													
Total Expenditure				1	–	–	–	240 959	247 127	247 127	248 320	254 166	260 335



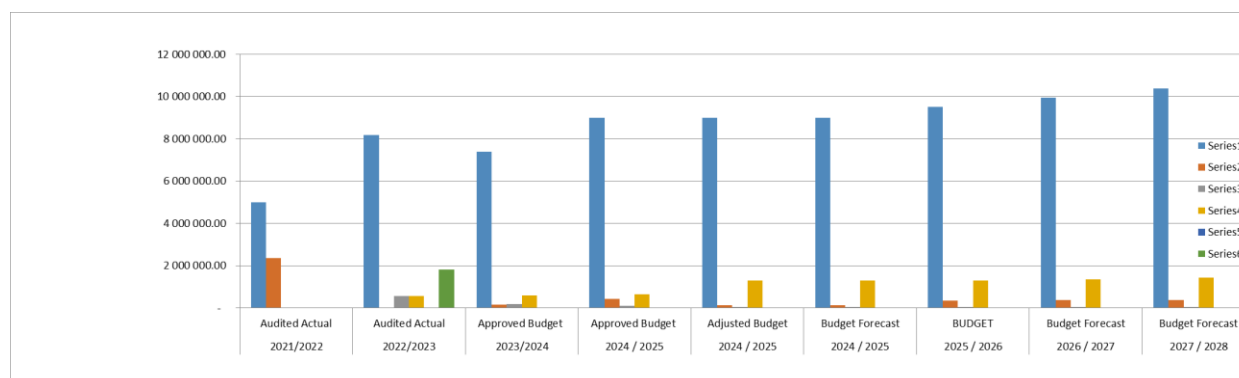
## BUDGET REGULATED CHARTS

### 1. REVENUE BY MAJOR SOURCE



	2021/2022	2022/2023	2023/2024	2024 / 2025	2024 / 2025	2024 / 2025	2025 / 2026	2026 / 2027	2027 / 2028
	Audited Actual	Audited Actual	Approved Budget	Approved Budget	Adjusted Budget	Budget Forecast	BUDGET	Budget Forecast	Budget Forecast
Transfers Recog. Operating	206 392 248.00	214 264 285.00	222 375 000.00	231 022 000.00	231 022 000.00	231 022 000.00	237 271 000.00	243 454 000.00	250 331 048.00
Transfers Recog. Capital	-	-	-	-	-	-	-	-	-
Total revenue by major source	206 392 248.00	214 264 285.00	222 375 000.00	231 022 000.00	231 022 000.00	231 022 000.00	237 271 000.00	243 454 000.00	250 331 048.00

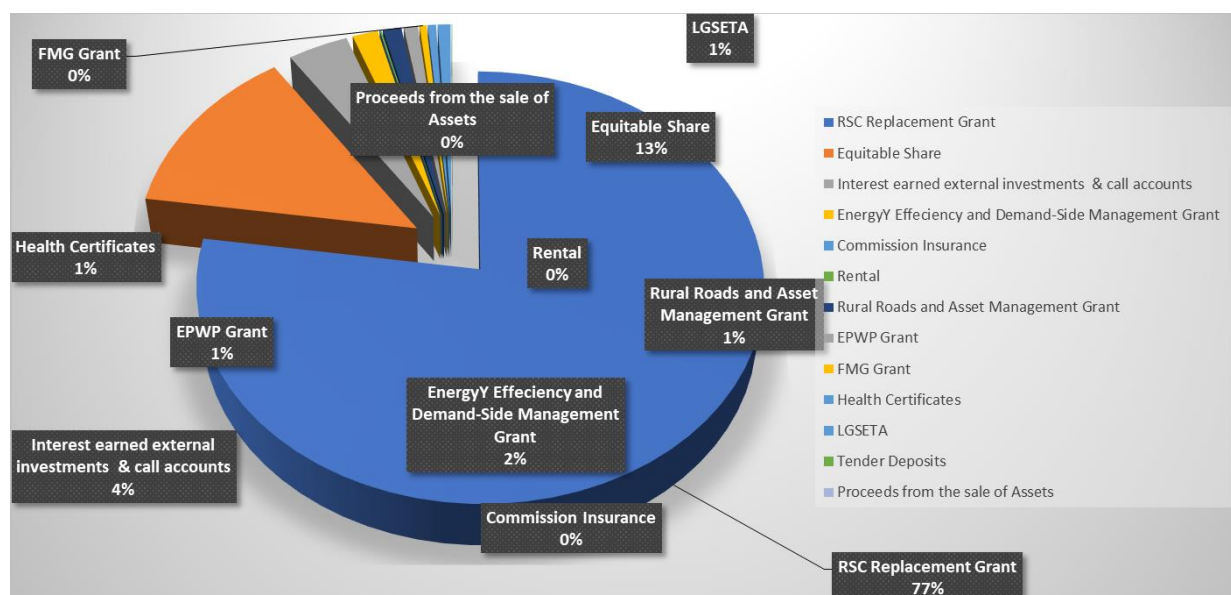
### 2. REVENUE BY MINOR SOURCE



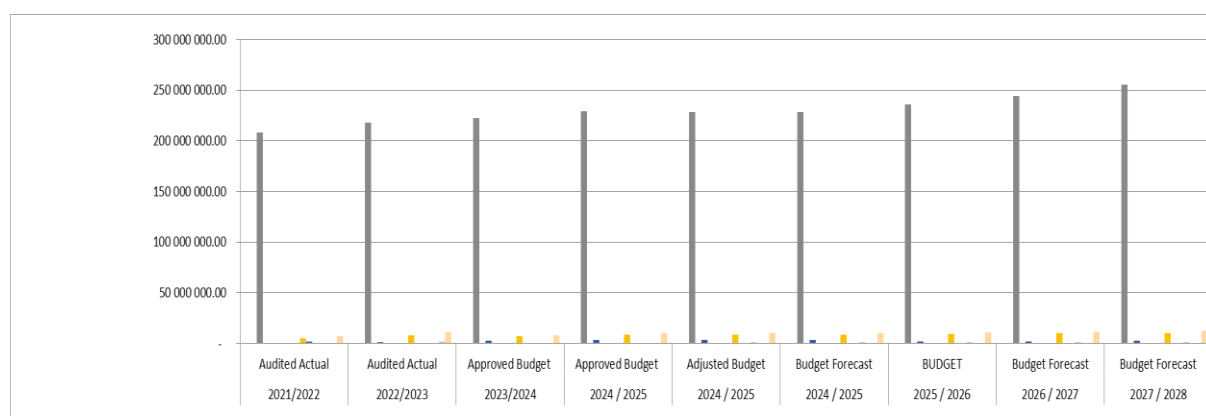
	2021/2022	2022/2023	2023/2024	2024 / 2025	2024 / 2025	2024 / 2025	2025 / 2026	2026 / 2027	2027 / 2028
	Audited Actual	Audited Actual	Approved Budget	Approved Budget	Adjusted Budget	Budget Forecast	BUDGET	Budget Forecast	Budget Forecast
Interest on Bank & External Investments	4 991 304.00	8 187 160.00	7 400 000.00	8 980 000.00	8 980 000.00	8 980 000.00	9 500 000.00	9 937 000.00	10 374 228.00
Other Revenue	2 351 704.00	14 027.00	150 000.00	420 000.00	130 000.00	130 000.00	350 000.00	366 100.00	382 209.00
Tenders Sold	-	549 364.00	175 000.00	100 000.00	50 000.00	50 000.00	50 000.00	52 300.00	54 601.00
Health Certificates	-	561 103.00	597 430.00	650 000.00	1 300 000.00	1 300 000.00	1 300 000.00	1 359 800.00	1 419 631.00
Dividends Received	-	839.00	-	-	-	-	-	-	-
Gain on Disposal of PPE	-	1 799 922.00	-	-	-	-	-	-	-
Total revenue by minor source	7 343 008.00	11 112 415.00	8 322 430.00	10 150 000.00	10 460 000.00	10 460 000.00	11 200 000.00	11 715 200.00	12 230 669.00

## SOURCE OF FUNDING AS A PERCENTAGE (%)

The following sources of funding forms part of funding as a percentage of total funding :		As % of
		Total funding
<b>BUDGET FUNDING</b>		
RSC Replacement Grant	192 095 000	77.31
Equitable Share	32 981 000	13.27
Interest earned external investments & call accounts	9 500 000	3.82
EnergyY Efficiency and Demand-Side Management Grant	4 000 000	1.61
Commission Insurance	30 000	0.01
Rental	250 000	0.10
Rural Roads and Asset Management Grant	2 884 000	1.16
EPWP Grant	2 211 000	0.89
FMG Grant	1 100 000	0.44
Health Certificates	1 300 000	0.52
LGSETA	2 000 000	0.80
Tender Deposits	50 000	0.02
Proceeds from the sale of Assets	70 000	0.03
<b>TOTAL FUNDING</b>	<b>248 471 000</b>	<b>100.00</b>

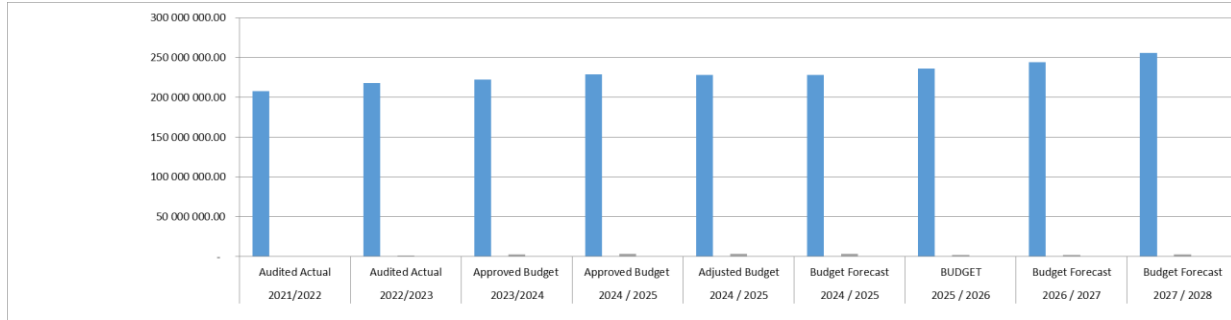


## 3. REVENUE BY MUNICIPAL VOTE



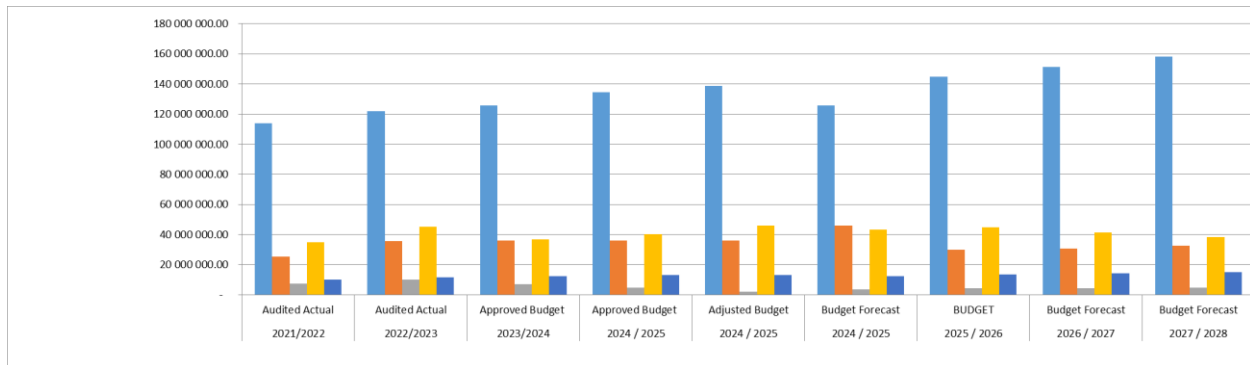
	2021/2022 Audited Actual	2022/2023 Audited Actual	2023/2024 Approved Budget	2024 / 2025 Approved Budget	2024 / 2025 Adjusted Budget	2024 / 2025 Budget Forecast	2025 / 2026 BUDGET	2026 / 2027 Budget Forecast	2027 / 2028 Budget Forecast
Office of the Executive Mayor	3 930.43	-	-	-	-	-	-	-	-
Office of the Speaker	-	-	-	-	-	-	-	-	-
Municipal Manager Admin.	-	-	-	-	-	-	-	-	-
Budget and Treasury	208 055 370.90	217 957 198.00	222 273 000.00	228 809 000.00	228 469 000.00	228 469 000.00	<b>235 826 000.00</b>	244 439 900.00	255 533 032.00
Corporate Services	608 333.75	1 476 660.00	2 880 000.00	3 500 000.00	3 500 000.00	3 500 000.00	<b>2 250 000.00</b>	2 353 500.00	2 457 054.00
LEDT & Planning	4 636 000.00	5 318 894.00	4 947 000.00	8 213 000.00	8 213 000.00	8 213 000.00	<b>9 095 000.00</b>	7 016 000.00	3 152 000.00
Community Services	431 619.62	623 894.00	597 430.00	650 000.00	1 300 000.00	1 300 000.00	<b>1 300 000.00</b>	1 359 800.00	1 419 631.00
<b>Total revenue by municipal vote</b>	<b>213 735 254.70</b>	<b>225 376 646.00</b>	<b>230 697 430.00</b>	<b>241 172 000.00</b>	<b>241 482 000.00</b>	<b>241 482 000.00</b>	<b>248 471 000.00</b>	<b>255 169 200.00</b>	<b>262 561 717.00</b>

#### 4. REVENUE BY STANDARD CLASSIFICATION



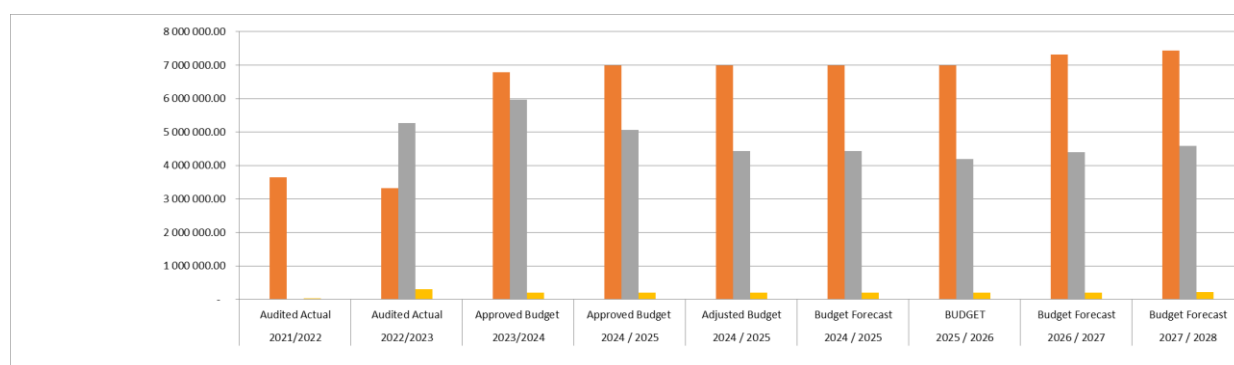
	2021/2022 Audited Actual	2022/2023 Audited Actual	2023/2024 Approved Budget	2024 / 2025 Approved Budget	2024 / 2025 Adjusted Budget	2024 / 2025 Budget Forecast	2025 / 2026 BUDGET	2026 / 2027 Budget Forecast	2027 / 2028 Budget Forecast
Executive Mayor	3 930.43	-	-	-	-	-	-	-	-
Municipal Manager	-	-	-	-	-	-	-	-	-
Budget and Treasury	208 055 370.90	217 957 198.00	222 273 000.00	228 809 000.00	228 469 000.00	228 469 000.00	<b>235 826 000.00</b>	244 439 900.00	255 533 032.00
Corporate Services	608 333.75	1 476 660.00	2 880 000.00	3 500 000.00	3 500 000.00	3 500 000.00	<b>2 250 000.00</b>	2 353 500.00	2 457 054.00
LEDT & Planning	4 636 000.00	5 318 894.00	4 947 000.00	8 213 000.00	8 213 000.00	8 213 000.00	<b>9 095 000.00</b>	7 016 000.00	3 152 000.00
Community Services	431 619.62	623 894.00	597 430.00	650 000.00	1 300 000.00	1 300 000.00	<b>1 300 000.00</b>	1 359 800.00	1 419 631.00
<b>Total revenue by standard class</b>	<b>213 735 254.70</b>	<b>225 376 646.00</b>	<b>230 697 430.00</b>	<b>241 172 000.00</b>	<b>241 482 000.00</b>	<b>241 482 000.00</b>	<b>248 471 000.00</b>	<b>255 169 200.00</b>	<b>262 561 717.00</b>

#### 5. OPERATING EXPENDITURE BY MAJOR TYPE



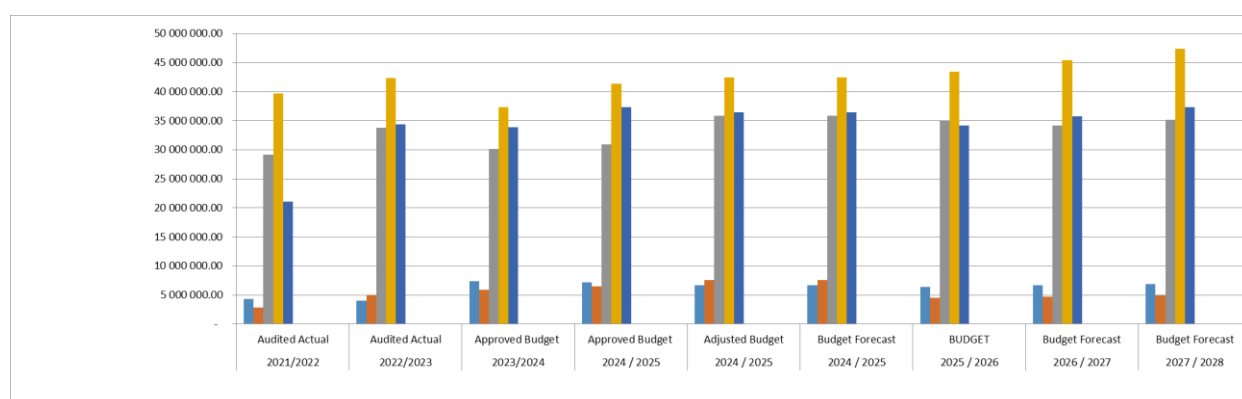
	2021/2022 Audited Actual	2022/2023 Audited Actual	2023/2024 Approved Budget	2024 / 2025 Approved Budget	2024 / 2025 Adjusted Budget	2024 / 2025 Budget Forecast	2025 / 2026 BUDGET	2026 / 2027 Budget Forecast	2027 / 2028 Budget Forecast
Employee Related Costs	113 777 098.74	122 011 939.00	125 695 623.00	134 489 974.00	138 747 974.00	125 695 623.00	<b>144 713 234.00</b>	151 370 040.00	158 030 325.00
Other expenditure	25 170 842.68	35 675 937.00	35 909 446.00	36 135 656.00	35 928 285.00	45 792 446.00	<b>29 700 885.00</b>	30 617 126.00	32 434 067.00
Grants&Subsidies Paid Operating	7 512 348.22	9 888 096.00	6 830 000.00	4 530 000.00	1 900 000.00	3 650 000.00	<b>4 250 000.00</b>	4 445 500.00	4 641 102.00
Contracted services	34 775 534.90	45 214 129.00	36 700 956.00	40 373 000.00	45 744 975.00	43 270 956.00	<b>44 685 000.00</b>	41 163 140.00	38 157 013.00
Remuneration of councillors	9 969 227.10	11 599 692.00	12 432 266.00	13 191 805.00	13 191 805.00	12 432 266.00	<b>13 587 559.00</b>	14 212 586.00	14 837 940.00
<b>Total expenditure major type</b>	<b>191 205 051.64</b>	<b>224 389 793.00</b>	<b>217 568 291.00</b>	<b>228 720 435.00</b>	<b>235 513 039.00</b>	<b>230 841 291.00</b>	<b>236 936 678.00</b>	<b>241 808 392.00</b>	<b>248 100 447.00</b>

## 6. OPERATING EXPENDITURE BY MINOR TYPE



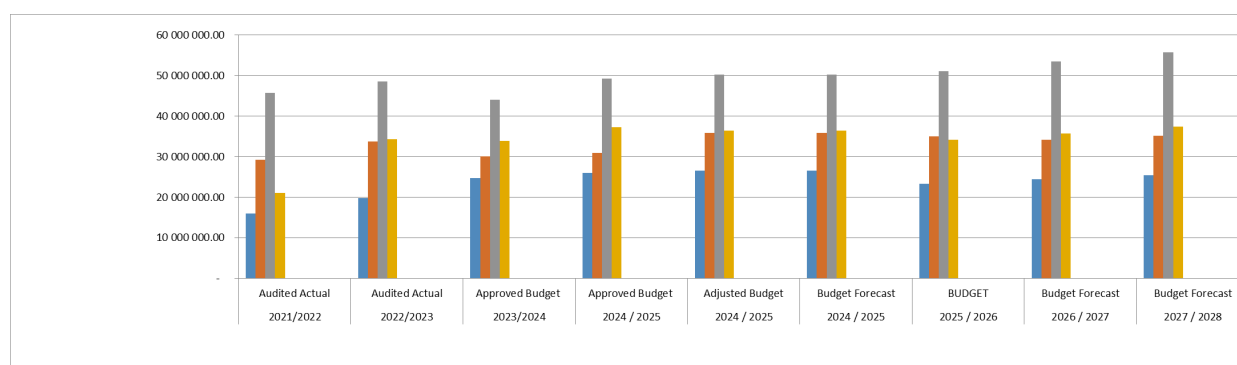
	2021/2022 Audited Actual	2022/2023 Audited Actual	2023/2024 Approved Budget	2024 / 2025 Approved Budget	2024 / 2025 Adjusted Budget	2024 / 2025 Budget Forecast	2025 / 2026 BUDGET	2026 / 2027 Budget Forecast	2027 / 2028 Budget Forecast
Finance charges	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	3 642 818.90	3 323 157.00	6 792 589.00	6 988 565.00	6 988 565.00	6 988 565.00	6 988 565.00	7 310 037.00	7 435 492.00
Other materials	-	5 260 689.00	5 961 120.00	5 055 000.00	4 430 000.00	4 430 000.00	4 200 000.00	4 393 200.00	4 586 499.00
Loss on disposal of PPE	31 587.74	297 473.00	195 000.00	195 000.00	195 000.00	195 000.00	195 000.00	203 970.00	212 944.00
Debt impairment	-	-	-	-	-	-	-	-	-
<b>Total expenditure by minor type</b>	<b>3 674 406.64</b>	<b>8 881 319.00</b>	<b>12 948 709.00</b>	<b>12 238 565.00</b>	<b>11 613 565.00</b>	<b>11 613 565.00</b>	<b>11 383 565.00</b>	<b>11 907 207.00</b>	<b>12 234 935.00</b>

## 7. OPERATING EXPENDITURE BY MUNICIPAL VOTE



	2021/2022 Audited Actual	2022/2023 Audited Actual	2023/2024 Approved Budget	2024 / 2025 Approved Budget	2024 / 2025 Adjusted Budget	2024 / 2025 Budget Forecast	2025 / 2026 BUDGET	2026 / 2027 Budget Forecast	2027 / 2028 Budget Forecast
Office of the Executive Mayor	4 317 197.04	4 048 966.70	7 361 261.00	7 201 880.00	6 654 464.00	6 654 464.00	6 338 847.00	6 630 433.00	6 922 173.00
Office of the Speaker	2 823 464.62	5 001 458.82	5 922 196.00	6 507 161.00	7 578 517.00	7 578 517.00	4 521 505.00	4 729 494.00	4 937 592.00
Chief Whip	4 786 755.06	1 624 873.31	1 820 142.00	2 015 613.00	2 023 713.00	2 023 713.00	1 841 634.00	1 926 349.00	2 011 107.00
Councillors	4 059 107.91	9 070 405.71	9 666 197.00	10 291 561.00	10 302 071.00	10 302 071.00	10 611 133.00	11 099 246.00	11 587 610.00
Municipal Manager Admin.	39 710 443.02	42 372 512.43	37 352 826.00	41 356 367.00	42 490 776.00	42 490 776.00	43 383 578.00	45 379 221.00	47 375 907.00
Internal Audit	6 035 984.34	6 190 949.13	6 711 787.00	7 930 974.00	7 727 291.00	7 727 291.00	7 681 480.00	8 034 827.00	8 388 361.00
Corporate Services Admin.	21 100 760.89	34 316 513.08	33 889 919.00	37 327 793.00	36 397 560.00	36 397 560.00	34 189 994.00	35 762 734.00	37 336 291.00
Budget and Treasury	29 152 933.92	33 745 839.33	30 095 464.00	30 889 977.00	35 821 386.00	35 821 386.00	35 052 181.00	34 121 982.00	35 196 359.00
LEDT & Planning	29 875 869.14	40 577 117.51	37 846 614.00	35 358 263.00	34 684 148.00	34 684 148.00	38 389 724.00	37 120 880.00	34 167 690.00
Community Services	58 223 289.48	56 322 475.95	59 850 594.00	62 079 411.00	63 446 678.00	63 446 678.00	66 310 167.00	69 360 433.00	72 412 292.00
<b>Total Operating Expenditure</b>	<b>200 085 805.42</b>	<b>233 271 111.97</b>	<b>230 517 000.00</b>	<b>240 959 000.00</b>	<b>247 126 604.00</b>	<b>247 126 604.00</b>	<b>248 320 243.00</b>	<b>254 165 599.00</b>	<b>260 335 382.00</b>

## 8. OPERATING EXPENDITURE BY STANDARD CLASSIFICATION

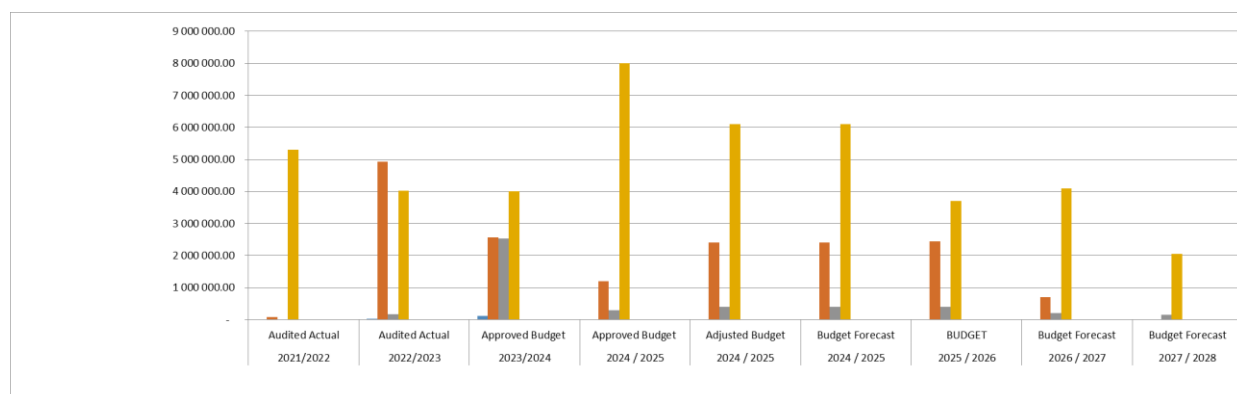


	2021/2022	2022/2023	2023/2024	2024 / 2025	2024 / 2025	2024 / 2025	2025 / 2026	2026 / 2027	2027 / 2028
	Audited Actual	Audited Actual	Approved Budget	Approved Budget	Adjusted Budget	Budget Forecast	BUDGET	Budget Forecast	Budget Forecast
Executive and Council	15 986 524.63	19 745 704.54	24 769 796.00	26 016 215.00	26 558 765.00	26 558 765.00	23 313 119.00	24 385 522.00	25 458 482.00
Municipal Manager Admin.	45 746 427.36	48 563 461.56	44 064 613.00	49 287 341.00	50 218 067.00	50 218 067.00	51 065 058.00	53 414 048.00	55 764 268.00
Corporate Services Admin.	21 100 760.89	34 316 513.08	33 889 919.00	37 327 793.00	36 397 560.00	36 397 560.00	34 189 994.00	35 762 734.00	37 336 291.00
Budget and Treasury	29 152 933.92	33 745 839.33	30 095 464.00	30 889 977.00	35 821 386.00	35 821 386.00	35 052 181.00	34 121 982.00	35 196 359.00
LEDT & Planning	29 875 869.14	40 577 117.51	37 846 614.00	35 358 263.00	34 684 148.00	34 684 148.00	38 389 724.00	37 120 880.00	34 167 690.00
Community Services	58 223 289.48	56 322 475.95	59 850 594.00	62 079 411.00	63 446 678.00	63 446 678.00	66 310 167.00	69 360 433.00	72 412 292.00
TOTALS	200 085 805.42	233 271 111.97	230 517 000.00	240 959 000.00	247 126 604.00	247 126 604.00	248 320 243.00	254 165 599.00	260 335 382.00

## 9. CAPITAL EXPENDITURE BY VOTE AND FUNCTIONAL CLASSIFICATION

The capital needs of the municipality consist of Computer equipment, Software, office furniture and equipment for the new and existing staff members.

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



	2021/2022	2022/2023	2023/2024	2024 / 2025	2024 / 2025	2024 / 2025	2025 / 2026	2026 / 2027	2027 / 2028
	Audited Actual	Audited Actual	Approved Budget	Approved Budget	Adjusted Budget	Budget Forecast	BUDGET	Budget Forecast	Budget Forecast
Executive and Council	-	32 367.18	110 000.00	-	-	-	-	-	-
Municipal Manager Admin.	-	172 160.87	2 530 000.00	300 000.00	400 000.00	400 000.00	400 000.00	200 000.00	150 000.00
Corporate Services Admin.	5 301 969.22	4 030 575.50	4 000 000.00	8 000 000.00	6 100 000.00	6 100 000.00	3 700 000.00	4 100 000.00	2 050 000.00
Budget and Treasury	81 595.73	4 925 211.19	2 560 000.00	1 200 000.00	2 400 000.00	2 400 000.00	2 450 000.00	700 000.00	-
LEDT & Planning	3 756 079.64	10 464 906.89	16 550 000.00	6 200 000.00	4 000 000.00	4 000 000.00	6 700 000.00	2 200 000.00	1 700 000.00
Community Services	2 625 678.60	1 765 338.75	13 700 000.00	14 250 000.00	6 260 000.00	6 260 000.00	2 800 000.00	2 300 000.00	1 300 000.00
TOTALS	11 765 323.19	21 390 560.38	39 450 000.00	29 950 000.00	19 160 000.00	19 160 000.00	16 050 000.00	9 500 000.00	5 200 000.00

## **2.4. Overview of Budget Related Policies**

Amongst other policies the below listed budget related policies will be work shopped to the elected councilors of Dr Kenneth Kaunda District Municipality before the approval of the final budget for 2025/26 MTREF.

### **1) Draft Budget and Virement policy**

#### **Purpose and objective of the policy**

The purpose of this policy is to comply with Circular 14, 15, 19, 28,51 of the MFMA as well as Chapter 4 of the MFMA by providing a concise, easy to use document that provides a brief overview of the budget process and budgeting principles by constructing guidelines against which to measure outcomes, to ensure that the municipal budget and budget process will enhance transparency, accountability and effective financial management. This policy`s objective serves to give guidance and compliance with applicable Act and Regulations, facilitation of internal operations with regard to municipal budget management.

### **2) Draft Subsistence and Travelling Allowance Policy**

#### **Purpose and objective of the policy**

The purpose of this policy is to comply with Circular 14, 15, 19, 28,51 of the MFMA as well as Chapter 4 of the MFMA by providing a concise, easy to use document that provides a brief overview of the budget process and budgeting principles by constructing guidelines against which to measure outcomes, to ensure that the municipal budget and budget process will enhance transparency, accountability and effective financial management. This policy`s objective serves to give guidance and compliance with applicable Act and Regulations, facilitation of internal operations with regard to municipal budget management.

### **3) Cash Management Policy**

#### **Introduction**

Availability of cash is one of the key requirements for financial sustainability for any organisation. Accumulated surplus is not an indicator of available cash and should not be seen as having a direct correlation with surplus cash.

One of the first and most important issues that must be borne in mind is that financial statements of municipalities are compiled on the accrual basis (GRAP / GAAP accounting standards used as basis of compilation) and not on the cash basis as Provincial and National Government. In the past the accrual basis was used, but fund accounting was applied and not GRAP. This change in accounting basis led to the accumulation of larger than expected accounting surpluses with little or no relation to cash reserves.

Cash Management will include all amounts disclosed on the financial statements on the following line items:

### **3.1.1 Investments (Long Term and Short Term)**

### **3.1.2 Cash and Cash Equivalents**

## **3.2. Determination of minimum cash levels to retain: Part 1: Encumbered Cash**

### **3.2.1 Unspent Conditional Grants**

Any grants received from the National or Provincial Government that have not been spent by the reporting date should be set aside in cash and not utilised for purposes other than the intended purpose as per the conditions of the grant.

### **3.2.2 Developers Contributions**

Any amounts received as development contributions that have not been spent by the reporting date should be set aside in cash and not utilised for purposes other than capital infrastructure improvements. There is no requirement to spend the contributions received on the development where the contributions originated from but must be utilised for the creation of additional infrastructure capacity.

### **3.2.3 Capital Replacement Reserve**

Funds set aside for the Capital Replacement Reserve must be held in cash and only utilised for the acquisition of capital assets in accordance with the approved capital budget of Council.

### **3.2.4 Unspent Loan Funding**

Any borrowed funds that have not been spent by the reporting date should be set aside in cash and not utilised for purposes other than the intended purpose as per the loan agreements.

### **3.2.5 Deposits held**

Consumer deposits are amount paid by customers, to be withheld by the municipality from the opening of an account till termination. The deposits will be refunded on termination provided the customer does not owe the municipality on municipal accounts. Consumer deposits must be cash-backed.

### **3.2.6 Retentions held**

Retention in contracts are amounts be held as a set off in the event the contractor does honouring the contract in regards to defects. Normally retention is held for the cost of rectification of defects during the construction period and for the cost of rectification of defects during the defects liability period, usually 12 months after the date of practical completion. The retentions held are thus not available for purposes other than releasing the funds to the contractor at the end of the defects period and should be held in cash and not utilised for other purposes. This is included in the creditors part of the Working Capital Cash Provision.

## **3. 3 Determination of minimum cash levels to retain: Part 2: Balance Sheet Provisions and Reserves**

The Accounting Policy of the Municipality contains the following sections relating to provisions: A provision is recognised when the economic entity has a present obligation (legal or constructive) as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The economic entity does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.



Provisions are reviewed annually and those estimated to be settled within the next twelve months are treated as current liabilities. All other provisions are treated as long term liabilities.

#### **4) Supply Chain Management Policy**

##### **OBJECTIVES OF THIS POLICY**

- 4.1. The objectives of this policy are to implement the legislative provisions relating to the supply chain management of the Municipality, that:
  - 4.1.1 gives effect to:
  - 4.1.2 section
  - 4.1.3 217 of the Constitution; and
  - 4.1.4 Part 1 of Chapter 11 and other applicable provisions of the MFMA;
- 4.2. is fair, equitable, transparent, competitive and cost effective;
- 4.3. complies with:
  - 4.3.1. the regulatory framework prescribed in Chapter 2 of the SCMR; and
  - 4.3.2. any minimum norms and standards that may be prescribed by means of regulations or guidelines as envisaged by the provisions of section 168 of the MFMA;
- 4.4. is consistent with other applicable legislation;
- 4.5. does not undermine the objective for uniformity in Supply Chain Management Systems between organs of state in all spheres; and
- 4.6. is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.
- 4.7. The Municipality may not act otherwise than in accordance with this Supply Chain Management Policy when:
  - 4.7.1. procuring goods and/or services;
  - 4.7.2. disposing of goods no longer needed
  - 4.7.3. selecting contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the MSA applies; or

4.7.4. In the case of the Municipality selecting external mechanisms referred to in section 80(1)(b) of the MSA for the provision of municipal services in circumstances contemplated in section 83 of that Act

To assure the creation of an environment where business can be conducted with integrity and in a fair, reasonable and accountable manner, this policy will ensure that the Municipal Manager and all officials of the Municipality involved in supply chain management activities must act with integrity, accountability, transparency and with the highest of ethical standards and free of favouritism, nepotism and corruption of any kind. The officials of the Municipality involved in supply chain management activities must adhere to the code of ethical standards contained in the policy.

## **2.5. Overview of Budget Assumptions**

- The 2025/26 Draft Annual budget has been prepared in accordance with Municipal Budget and Reporting Regulations of 2009 and the guidelines as set out in MFMA Municipal budget circular for the 2025/26 MTREF - Circular 129 & 130.
- National Treasury has set out the requirements for funding the budget and producing a credible budget. Attention was given to Section 18(1) of the MFMA, which states that an annual budget may only be funded from:
  - Realistically anticipated revenues to be collected;
  - Cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
  - Borrowed funds, but only for the capital budget referred to in section 17(2).
- Achievement of this requirement in totality effectively means that a Council has "balanced" its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.
- The Municipalities must adopt a conservative approach when projecting their expected revenue and cash receipts as well as pay particular attention to managing of revenue effectively and carefully, evaluate all spending.
- The 2025/26 to 2027/28 calculations were based on Consumer Price Index of 4.3% 2025/26, 4.6% 2026/27 and 4.4% 2027/28 published on the MFMA Circular no. 130.

<b>Fiscal Year</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Forecast</b>		
CPI Inflation	6.0%	4.4%	4.3%	4.6%	4.4%

- The Upper Limit Remuneration, Allowances and benefits of members of municipal council for 2025/26 budget year is provided on inflation related rate and as per Remuneration of Public Office Bearers Act, as published by the Minister of Local Government from time to time for the determination of upper limits of salaries, allowances and benefits of different members of municipal councils, Councillors Salaries.
- Employee related costs takes in to consideration The South African Local Government Bargaining Council Salary and Wage Collective Agreement.
- Other operating expenditure has been provided at increase as per the current inflation estimated targets of 4.3%, previous financial year performance and needs analysis and capital expenditure has been provided for at zero based budgeting and as per the needs analysis. The budget provided for were based on the departmental inputs in line with their IDP objectives of each department.
- In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures.
- Repairs and maintenance do not have the same impact as in the case of local municipalities. The provision made on the budgeted is sufficient to cover Repairs and Maintenance.
- The 2025/26 budget will pay particular attention to reducing line items that are not critical to service delivery to reinforce cost containment measures which were approved by Council. Municipality has started to implement the cost containment measures on consultancy fees, travel and related costs, advertising, catering, events costs and accommodation.

## 2.6. Overview of Budget Funding

### Operating Revenue Framework

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

**Table 3 Revenue by Source**

NO	Revenue by Source	CURRENT YEAR 2024/2025			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
		APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
1	TS_O_M_NG_LOCAL GOV FIN MNG GRANT	- 1 000 000.00	- 1 000 000.00	- 730 000.00	- 1 100 000.00	10.00	- 1 200 000.00	- 1 300 000.00
2	TS_O_M_NRF_EQUITABLE SHARE	- 33 503 000.00	- 33 503 000.00	- 25 101 813.01	- 32 981 000.00	- 1.56	- 32 768 000.00	- 34 256 000.00
3	TS_O_M_NRF_FUEL LEVY	-184 806 000.00	-184 806 000.00	-138 464 186.99	-192 095 000.00	3.94	-200 378 000.00	-209 439 000.00
4	INTER: BANK ACCOUNTS	- 1 980 000.00	- 1 980 000.00	- 2 068 752.05	- 3 500 000.00	76.77	- 3 661 000.00	- 3 822 084.00
5	INTER: SHORT TERM INVEST & CALL ACCOUNTS	- 7 000 000.00	- 7 000 000.00	- 604 417.81	- 6 000 000.00	- 14.29	- 6 276 000.00	- 6 552 144.00
6	TS_O_M_DPAA_NDA_EDUC;TR&DEV SETA	- 3 500 000.00	- 3 500 000.00	- 492 685.59	- 2 000 000.00	- 42.86	- 2 092 000.00	- 2 184 048.00
7	RENTAL	-	-	-	- 250 000.00	-	- 261 500.00	- 273 006.00
8	COMMISSION: INSURANCE	- 170 000.00	- 30 000.00	-	- 30 000.00	-	- 31 380.00	- 32 761.00
9	SKILLS DEVELOPMENT LEVY REFUND	- 150 000.00	-	-	-	-	-	-
10	SALE OF: ASSET < CAP THRESH	- 100 000.00	- 100 000.00	-	- 70 000.00	- 30.00	- 73 220.00	- 76 442.00
11	SALE OF: PUBLICATION - TENDER DOCUMENTS	- 100 000.00	- 50 000.00	- 4 000.00	- 50 000.00	-	- 52 300.00	- 54 601.00
12	TS_O_M_NG_EPWP GRANT	- 1 452 000.00	- 1 452 000.00	- 363 000.00	- 2 211 000.00	52.27	-	-
13	TS_O_M_NG_RURAL ROAD ASSET MNG SYS GRANT	- 2 761 000.00	- 2 761 000.00	- 1 837 890.12	- 2 884 000.00	4.45	- 3 016 000.00	- 3 152 000.00
14	ENERGY EFFICIENCY AND DEMAND-SIDE MAN GRANT	- 4 000 000.00	- 4 000 000.00	- 243 478.26	- 4 000 000.00	-	- 4 000 000.00	-
15	HEALTH CERTIFICATES	- 650 000.00	- 1 300 000.00	- 1 140 927.08	- 1 300 000.00	-	- 1 359 800.00	- 1 419 631.00
	<b>TOTAL : INCOME</b>	<b>-241 172 000.00</b>	<b>-241 482 000.00</b>	<b>-171 051 150.91</b>	<b>-248 471 000.00</b>	<b>2.89</b>	<b>-255 169 200.00</b>	<b>-262 561 717.00</b>

The following contributing factors has led to the increase in the operating revenue budget:

- **Equitable share** has decreased by 1.56% or **R522 Thousand** when compared to the 2024/25 Adjustment Budget.
- **RSC Replacement Grant** has increased by 3.94% or **R7.2 Million** when compared to the 2024/25 Adjustment Budget.
- **EPWP Grant** has increased by 52.27% or **R759 Thousand** when compared to the 2024/25 Adjustment Budget.
- **Rural Roads Asset Management (RRAMS)** has increased by 4.45% or **R123 Thousand** when compared to the 2024/25 Adjustment Budget.
- Financial Management Grant (FMG) increased by **R100 Thousand** or 10.00% when compared to the 2024/25 Adjustment Budget
- Energy and Efficiency and Demand-Side Management Grant remains at **R4 Million** when compared to the 2024/25 Adjustment Budget
- Interest on short term investment has reduced by 14.29% or **R1 Million** when compared to the 2024/25 Adjustment Budget.
- Interest on call accounts reduced by 76.77% or **R1.5 Million** as compared to the 2024/25 Adjustment Budget
- **LGSETA** has reduced by 42.86% or **R1.5 Million** when compared to the 2024/25 Adjustment Budget.
- Rental income of **R250 Million** as a new line-item under revenue for the 2025/26 Financial year.
- Commission on insurance remains the same at **R30 Thousand** when compared to the 2024/25 Adjustment Budget.

- Proceeds from the Sale of Assets reduced by 30.00% or **R30 Thousand** when compared to the 2024/25 Adjustment Budget.
- Proceeds from the Sale of Tender Documents remains the same at **R50 Thousand** when compared to the 2024/25 Adjustment Budget.
- Health Certificates remains the same at **R1.3 Million** when compared to the 2024/25 Adjustment Budget.

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

### Summary of revenue classified by main revenue source

DC40 Dr Kenneth Kaunda - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2019/20	2020/21	2023/24	2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	-	-	-	-	-	-	-	-	-	-
Sale of Goods and Rendering of Services		-	-	-	200	150	150	4	120	126	131
Agency services		-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		-	-	-	8 980	8 980	8 980	2 673	9 500	9 937	10 374
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		-	-	-	-	-	-	-	250	262	273
Licence and permits		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	320	30	30	-	30	31	33
<b>Non-Exchange Revenue</b>											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-
Licences or permits		-	-	-	650	1 300	1 300	1 141	1 300	1 360	1 420
Transfer and subsidies - Operational		-	-	-	46 216	46 216	46 216	29 597	45 176	43 076	40 892
Interest		-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	184 806	184 806	184 806	138 464	192 095	200 378	209 439
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contrib</b>		-	-	-	241 172	241 482	241 482	171 879	248 471	255 169	262 562

## Operating Expenditure Framework

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

DC40 Dr Kenneth Kaunda - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description		Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand		1										
<b>Expenditure</b>												
Employee related costs	2	-	-	-	134 490	138 748	138 748	102 848	144 713	151 370	158 030	
Remuneration of councillors		-	-	-	13 192	13 192	39 971	8 133	13 588	14 213	14 838	
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-	
Inventory consumed	8	-	-	-	5 055	4 430	13 685	1 986	4 200	4 393	4 587	
Debt impairment	3	-	-	-	-	-	-	-	-	-	-	
Depreciation and amortisation		-	-	-	7 184	7 184	6 989	-	7 184	7 514	7 648	
Interest		-	-	-	-	-	-	-	-	-	-	
Contracted services		-	-	-	40 373	45 745	45 745	22 673	44 685	41 163	38 157	
Transfers and subsidies		-	-	-	4 530	1 900	10 680	962	4 250	4 446	4 641	
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-	
Operational costs		-	-	-	36 136	35 928	35 928	18 913	29 701	31 067	32 434	
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	
Other Losses		-	-	-	-	-	-	-	-	-	-	
<b>Total Expenditure</b>		-	-	-	240 959	247 127	291 746	155 515	248 320	254 166	260 335	
<b>Surplus/(Deficit)</b>		-	-	-	213	(5 645)	(50 264)	16 364	151	1 004	2 226	
Transfers and subsidies - capital (monetary)	6	-	-	-	-	-	-	-	-	-	-	
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		-	-	-	213	(5 645)	(50 264)	16 364	151	1 004	2 226	
Income Tax		-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after income tax</b>		-	-	-	213	(5 645)	(50 264)	16 364	151	1 004	2 226	
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) attributable to municipality</b>		-	-	-	213	(5 645)	(50 264)	16 364	151	1 004	2 226	
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-	
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) for the year</b>	1	-	-	-	213	(5 645)	(50 264)	16 364	151	1 004	2 226	

- The proposed operating revenue for the 2025/26 financial year has been appropriated at **R248.4 Million**. The operating revenue has increased by 2.89% or **R6.9 Million** for the 2025/26 financial year when compared to the 2024/25 Adjustment Budget.

**Table 4(a) Operating Expenditure by type**

NO	DISCRIPTION	CURRENT YEAR 2024/2025			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
		APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
1	EMPLOYEE RELATED COSTS	134 489 974.00	138 747 974.00	102 777 208.85	144 713 234.00	4.30	151 370 040.00	158 030 325.00
2	REMUNERATION OF COUNCILLORS	13 191 805.00	13 191 805.00	8 133 389.46	13 587 559.00	3.00	14 212 586.00	14 837 940.00
3	OUTSOURCED SERVICES	11 682 000.00	16 936 000.00	7 471 088.85	14 025 000.00	- 17.19	12 357 444.00	12 901 171.00
4	CONSULTANTS AND PROFESSIONAL SERVICES	16 021 000.00	16 522 975.00	6 679 118.54	17 434 000.00	5.51	15 449 500.00	11 669 173.00
5	CONTRACTORS	12 670 000.00	12 286 000.00	6 296 583.27	13 226 000.00	7.65	13 356 196.00	13 586 669.00
6	OPERATIONAL COSTS	33 635 656.00	30 648 285.00	14 868 319.92	27 200 885.00	- 11.25	28 452 126.00	29 704 007.00
7	INVENTORY	5 055 000.00	4 430 000.00	1 927 082.52	4 200 000.00	- 5.19	4 393 200.00	4 586 499.00
8	OPERATING LEASES	2 500 000.00	5 280 000.00	1 308 723.13	2 500 000.00	- 52.65	2 615 000.00	2 730 060.00
9	TRANSFER AND SUBSIDIES	4 530 000.00	1 900 000.00	754 131.81	4 250 000.00	123.68	4 445 500.00	4 641 102.00
10	DEPRECIATION AND AMORTISATION	6 988 565.00	6 988 565.00	-	6 988 565.00	-	7 310 037.00	7 435 492.00
	<b>TOTAL OPERATING EXPENDITURE</b>	<b>240 764 000.00</b>	<b>246 931 604.00</b>	<b>150 215 646.35</b>	<b>248 125 243.00</b>	<b>0.48</b>	<b>253 961 629.00</b>	<b>260 122 438.00</b>
11	IMPAIRMENT LOSSES	195 000.00	195 000.00	-	195 000.00	-	203 970.00	212 944.00
	<b>TOTAL GAINS AND LOSSES</b>	<b>195 000.00</b>	<b>195 000.00</b>	<b>-</b>	<b>195 000.00</b>	<b>-</b>	<b>203 970.00</b>	<b>212 944.00</b>
	<b>TOTAL EXPENDITURE</b>	<b>240 959 000.00</b>	<b>247 126 604.00</b>	<b>150 215 646.35</b>	<b>248 320 243.00</b>	<b>0.48</b>	<b>254 165 599.00</b>	<b>260 335 382.00</b>

**Table 4(b) Operating Expenditure Per Department**

DR KENNETH KAUNDA DISTRICT MUNICIPALITY DRAFT ANNUAL BUDGET 2025/2026								
OPERATING EXPENDITURE								
CURRENT YEAR 2024/2025								
MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK								
	DEPARTMENT	APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
1	EXECUTIVE MAYOR	7 231 880.00	6 654 464.00	2 883 793.92	6 338 847.00	- 4.74	6 630 433.00	6 922 173.00
2	SPEAKER	6 477 161.00	7 578 517.00	4 434 694.28	4 521 505.00	- 40.34	4 729 494.00	4 937 592.00
3	CHIEF WHIP	2 015 613.00	2 023 713.00	915 742.78	1 841 634.00	- 9.00	1 926 349.00	2 011 107.00
4	COUNCILLORS	10 291 561.00	10 302 071.00	6 271 440.87	10 611 133.00	3.00	11 099 246.00	11 587 610.00
5	MUNICIPAL MANAGER ADMINISTRATION	41 336 367.00	42 470 776.00	29 641 640.86	43 363 578.00	2.10	45 358 301.00	47 354 067.00
6	INTERNAL AUDIT	7 930 974.00	7 727 291.00	4 757 490.58	7 681 480.00	- 0.59	8 034 827.00	8 388 361.00
7	CORPORATE SERVICES	37 247 793.00	36 317 560.00	21 728 569.32	34 109 994.00	- 6.08	35 679 054.00	37 248 929.00
8	BUDGET AND TREASURY	30 809 977.00	35 741 386.00	20 004 522.82	34 972 181.00	- 2.15	34 038 302.00	35 108 997.00
9	LED & PLANNING	35 343 263.00	34 669 148.00	15 647 167.82	38 374 724.00	10.69	37 105 190.00	34 151 310.00
10	COMMUNITY SERVICES	62 079 411.00	63 446 678.00	43 930 583.10	66 310 167.00	4.51	69 360 433.00	72 412 292.00
	<b>TOTAL</b>	<b>240 764 000.00</b>	<b>246 931 604.00</b>	<b>150 215 646.35</b>	<b>248 125 243.00</b>	<b>0.48</b>	<b>253 961 629.00</b>	<b>260 122 438.00</b>
GAINS AND LOSSES								
CURRENT YEAR 2024/2025								
MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK								
	DEPARTMENT	APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
1	MUNICIPAL MANAGER ADMINISTRATION	20 000.00	20 000.00	-	20 000.00	-	20 920.00	21 840.00
2	CORPORATE SERVICES	80 000.00	80 000.00	-	80 000.00	-	83 680.00	87 362.00
3	BUDGET AND TREASURY	80 000.00	80 000.00	-	80 000.00	-	83 680.00	87 362.00
4	LED & PLANNING	15 000.00	15 000.00	-	15 000.00	-	15 690.00	16 380.00
	<b>TOTAL</b>	<b>195 000.00</b>	<b>195 000.00</b>	<b>-</b>	<b>195 000.00</b>	<b>-</b>	<b>203 970.00</b>	<b>212 944.00</b>
	<b>TOTAL OPERATING EXPENDITURE</b>	<b>240 959 000.00</b>	<b>247 126 604.00</b>	<b>150 215 646.35</b>	<b>248 320 243.00</b>	<b>0.48</b>	<b>254 165 599.00</b>	<b>260 335 382.00</b>
CAPITAL EXPENDITURE								
CURRENT YEAR 2024/2025								
MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK								
	DEPARTMENT	APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
1	EXECUTIVE MAYOR	-	-	-	-	-	-	-
2	SPEAKER	-	-	-	-	-	-	-
3	CHIEF WHIP	-	-	-	-	-	-	-
4	COUNCILLORS	-	-	-	-	-	-	-
5	MUNICIPAL MANAGER ADMINISTRATION	300 000.00	400 000.00	-	400 000.00	-	200 000.00	150 000.00
6	INTERNAL AUDIT	-	-	-	-	-	-	-
7	CORPORATE SERVICES	8 000 000.00	6 100 000.00	2 106 244.83	3 700 000.00	- 39.34	4 100 000.00	2 050 000.00
8	BUDGET AND TREASURY	1 200 000.00	2 400 000.00	1 026 086.96	2 450 000.00	2.08	700 000.00	-
9	LED & PLANNING	6 200 000.00	4 000 000.00	-	6 700 000.00	67.50	2 200 000.00	1 700 000.00
10	COMMUNITY SERVICES	14 250 000.00	6 260 000.00	-	2 800 000.00	- 55.27	2 300 000.00	1 300 000.00
	<b>TOTAL</b>	<b>29 950 000.00</b>	<b>19 160 000.00</b>	<b>3 132 331.79</b>	<b>16 050 000.00</b>	<b>- 16.23</b>	<b>9 500 000.00</b>	<b>5 200 000.00</b>

**Table 4 (c): Operating Expenditure as a %**

CURRENT YEAR 2024/2025							
MTREF							
No	DISCRIPTION	Budget	Adjusted Budget	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	EXP AS A %
1	EMPLOYEE RELATED COSTS	134 489 974.00	138 747 974.00	102 777 208.85	144 713 234.00	4.30	58.28
2	REMUNERATION OF COUNCILLORS	13 191 805.00	13 191 805.00	8 133 389.46	13 587 559.00	3.00	5.47
3	OUTSOURCED SERVICES	11 682 000.00	16 936 000.00	7 471 088.85	14 025 000.00	- 17.19	5.65
4	CONSULTANTS AND PROFESSIONAL SERVICES	16 021 000.00	16 522 975.00	6 679 118.54	17 434 000.00	5.51	7.02
5	CONTRACTORS	12 670 000.00	12 286 000.00	6 296 583.27	13 226 000.00	7.65	5.33
6	OPERATIONAL COSTS	33 635 656.00	30 648 285.00	14 868 319.92	27 200 885.00	- 11.25	10.95
7	INVENTORY	5 055 000.00	4 430 000.00	1 927 082.52	4 200 000.00	- 5.19	1.69
8	OPERATING LEASES	2 500 000.00	5 280 000.00	1 308 723.13	2 500 000.00	- 52.65	1.01
9	TRANSFER AND SUBSIDIES	4 530 000.00	1 900 000.00	754 131.81	4 250 000.00	123.68	1.71
10	DEPRECIATION AND AMORTISATION	6 988 565.00	6 988 565.00	-	6 988 565.00	-	2.81
11	TOTAL GAINS AND LOSSES	195 000.00	195 000.00	-	195 000.00	-	0.08
	<b>TOTAL OPERATING EXPENDITURE</b>	<b>240 959 000.00</b>	<b>247 126 604.00</b>	<b>150 215 646.35</b>	<b>248 320 243.00</b>	<b>0.48</b>	<b>100.00</b>

- i. The proposed operating expenditure for the 2025/26 financial year has been appropriated at **R248.3 Million** and translates into a budgeted cash surplus of **R150 Thousand** before the reversal of a non-cash items of **R7.1 Million**. The operating expenditure has increased by 0.48% or **R1.1 Million** in the 2025/26 financial year when compared to the 2024/25 Adjustment Budget. For the two

outer years, operating expenditure will increase by 2.35% or **R5.8 Million** in 2026/27 and increase by 2.43% or **R6.1 Million** in 2027/28.

The allocation towards operating expenditure budget is as follows:

- The proposed employee related costs for the 2025/26 financial has been appropriated at **R144.7 Million**. The employee related costs have increased by 4.3%. The employee related cost budget constitute **58.28%** of the total operating expenditure budget.
- The proposed remuneration of councillors for the 2023/24 financial has been appropriated at **R13.5 Million**. There has been an increased 3.00% on Remuneration of Councillors. The estimate is made while waiting for the final pronouncement on the increase by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998).
- After consideration of employee related cost and the remuneration of Councillors the municipality is left with **R85.7 Million** from the total operating expenditure budget. The operational budget is then allocated to Outsource Services, Consultants and Professional Services, and Contractors, Operational Costs, Inventory, Operating leases, Transfers and Subsidies as well as Depreciation.

**Table 5: Outsource Services**

NO	DISCRIPTION	CURRENT YEAR 2024/2025			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
		APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
1	OS: BURIAL SERVICES	400 000.00	500 000.00	87 500.00	350 000.00	- 30.00	366 100.00	382 208.00
2	OS: CATERING SERVICES	2 710 000.00	2 715 000.00	1 123 047.90	2 290 000.00	- 507.83	2 395 340.00	2 500 735.00
3	OS: CLEANING SERVICES	300 000.00	75 000.00	19 200.00	60 000.00	- 20.00	62 760.00	65 521.00
4	OS: CLEARING & GRASS CUTTING SERVICES	300 000.00	200 000.00	-	150 000.00	- 25.00	156 900.00	163 804.00
5	OS: HYGIENE SERVICES	100 000.00	20 000.00	-	-	- 100.00	-	-
6	OS: MEDICAL SERVICES [HEALTH SERV & SUP]	30 000.00	90 000.00	22 922.00	100 000.00	11.11	104 600.00	109 202.00
7	OS: PERSONNEL & LABOUR - EPWP GRANT	1 452 000.00	1 452 000.00	1 211 919.28	2 211 000.00	52.27	-	-
8	OS: PERSONNEL & LABOUR-CBP	4 000 000.00	5 400 000.00	3 464 172.52	2 400 000.00	- 55.56	2 510 400.00	2 620 858.00
9	OS: PERSONNEL & LABOUR-EPWP	2 000 000.00	6 064 000.00	1 173 424.00	6 064 000.00	-	6 342 944.00	6 622 034.00
10	OS: TRANSPORT SERVICES	390 000.00	420 000.00	166 404.99	400 000.00	9.52	418 400.00	436 809.00
	<b>SUB TOTAL : OUTSOURCE SERVICES</b>	<b>11 682 000.00</b>	<b>16 936 000.00</b>	<b>7 268 590.69</b>	<b>14 025 000.00</b>	<b>- 17.19</b>	<b>12 357 444.00</b>	<b>12 901 171.00</b>

- The proposed outsource services budget for the 2025/26 financial year has been appropriated at **R14 Million**. The outsource services has decreased by 17.19% or R2.9 Million when compared to the 2024/25 Adjustment Budget. For



the two outer years, outsource services will decrease by 11.89% or R1.6 Million in 2026/27 and increase by 4.40% or R543 thousand in 2027/28.

**Table 6: Consultants and Professional Services**

NO	DISCRIPTION	CURRENT YEAR 2024/2025			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
		APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
1	C&PS: B&A ACTUARIES	45 000.00	26 475.00	23 500.00	30 000.00	13.31	31 380.00	32 761.00
2	C&PS: B&A AIR POLLUTION-AIR QUALITY	100 000.00	20 000.00	-	50 000.00	150.00	52 300.00	54 601.00
3	C&PS: B&A AUDIT COMMITTEE	1 000 000.00	1 300 000.00	425 385.22	1 000 000.00	- 23.08	1 046 000.00	1 092 024.00
4	C&PS: B&A BUSINESS & FIN MANAGEMENT	300 000.00	-	-	-	-	-	-
5	C&PS: B&A BUSINESS& FIN MANAGEMENT-AFS	300 000.00	650 500.00	650 500.00	1 800 000.00	176.71	-	-
6	C&PS: B&A HUMAN RESOURCES	300 000.00	-	-	-	-	-	-
7	C&PS: B&A ORGANISATIONAL	65 000.00	65 000.00	43 548.35	100 000.00	53.85	104 600.00	109 202.00
8	C&PS: B&A RESEARCH & ADVISORY	400 000.00	910 000.00	-	1 300 000.00	-	1 359 800.00	1 419 631.00
9	C&PS: I&P ENGINEERING ELECTRICAL-ENERGY	4 000 000.00	4 000 000.00	243 478.26	4 000 000.00	-	4 000 000.00	-
10	C&PS: LAB SERV WATER	800 000.00	900 000.00	39 348.00	900 000.00	-	941 400.00	982 822.00
11	C&PS: LAB SERV FOOD	-	-	-	60 000.00	-	62 760.00	65 521.00
12	C&PS: LEGAL COST ADVICE & LITIGATION - LEGAL FEES	3 500 000.00	3 500 000.00	2 150 838.16	3 500 000.00	-	3 661 000.00	3 822 084.00
13	C&PS:B&A BUSINESS & FIN MANAGEMENT-FMG	150 000.00	290 000.00	240 000.00	260 000.00	- 10.34	271 960.00	283 926.00
14	C&PS:B&A BUSINESS&FIN MANAGEMENT-ASSETS	900 000.00	1 800 000.00	1 024 630.43	1 300 000.00	- 27.78	700 000.00	500 000.00
15	C&PS:B&A RESEARCH&ADVISORY-DIS MAN RESE	300 000.00	100 000.00	-	50 000.00	- 50.00	52 300.00	54 601.00
16	C&PS:I&P LAND & QUANTITY SURVEYORS-RRAMS	2 761 000.00	2 761 000.00	1 837 890.12	2 884 000.00	4.45	3 016 000.00	3 152 000.00
17	C&PS: SMME HUB AND LIGHT INDUSTRIAL PARK	500 000.00	200 000.00	-	200 000.00	-	150 000.00	100 000.00
18	C&PS: FIRE SERVICES MASTER PLAN	600 000.00	-	-	-	-	-	-
SUB TOTAL : CONSULTANT AND PROF SERVICES		16 021 000.00	16 522 975.00	6 679 118.54	17 434 000.00	5.51	15 449 500.00	11 669 173.00

- The proposed budget on Consultants and Professional Services for the 2025/26 financial year has been appropriated at **R17.4 Million**. The Consultants and Professional Services has increased by 5.51% or **R911 Thousand** when compared to the 2024/25 Adjustment Budget. For the two outer years, consultants and professional services will decrease by 11.38% or R1.9 Million and 24.47% or R3.7 Million respectively.

**Table 7: Contractors**

NO	DISCRIPTION	CURRENT YEAR 2024/2025			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
		APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
1	CONTR: MAINT OF BUILDINGS & FACILITIES: TOILETS & BOREHOL	250 000.00	150 000.00	-	450 000.00	200.00	470 700.00	491 411.00
2	CONTR: ARTISTS & PERFORMERS-DIS MAN AWAR	150 000.00	70 000.00	44 000.00	120 000.00	71.43	125 520.00	131 043.00
3	CONTR: ARTISTS & PERFORMERS-RISK REDUC P	120 000.00	70 000.00	44 850.00	-	- 100.00	-	-
4	CONTR: ARTISTS & PERFORMERS-TRADE&INVEST	50 000.00	100 000.00	-	100 000.00	-	104 600.00	109 202.00
5	CONTR: BUILDING CONTRACTORS- ISSA INITIATIVES	100 000.00	50 000.00	-	-	- 100.00	-	-
6	CONTR: EMPLOYEE WELLNESS	400 000.00	70 000.00	-	300 000.00	328.57	313 800.00	327 607.00
7	CONTR: FIRE PROTECTION	250 000.00	200 000.00	-	150 000.00	- 25.00	156 900.00	163 804.00
8	CONTR: MAINTENANCE OF EQUIPMENT-PLANT&EQ	150 000.00	80 000.00	-	650 000.00	712.50	679 900.00	709 816.00
9	CONTR: MAINTENANCE OF EQUIPMENT-SYSTEM	300 000.00	-	-	200 000.00	-	209 200.00	218 405.00
10	CONTR: MAINTENANCE OF EQUIPMENT-VEHICLES	100 000.00	500 000.00	469 346.97	450 000.00	- 10.00	470 700.00	491 411.00
11	CONTR: SAFEGUARD & SECURITY	7 500 000.00	9 026 000.00	5 672 764.37	9 026 000.00	-	9 441 196.00	9 856 609.00
12	CONTR: SPORTS & RECREATION	100 000.00	100 000.00	-	-	- 100.00	-	-
13	CONTR:MAINTENANCE OF EQUIPMENT-FURN&EQU	150 000.00	-	-	-	-	-	-
14	CONTR:MAINTENANCE OF EQUIPMENT-OFFICE E	350 000.00	170 000.00	28 608.93	80 000.00	- 94.29	83 680.00	87 361.00
15	CONTR: REPAIRS AND MAINTENANCE BUILDING	2 200 000.00	1 700 000.00	37 013.00	1 700 000.00	-	1 300 000.00	1 000 000.00
16	CONTR: DISTRICT CALL CENTRE AND CCTV MONITORING SYSTEM	500 000.00	-	-	-	-	-	-
SUB TOTAL : CONTRACTORS		12 670 000.00	12 286 000.00	6 296 583.27	13 226 000.00	7.65	13 356 196.00	13 586 669.00

- The proposed contractors budget for the 2025/26 financial year has been appropriated at **R13.2 Million**. The contractors have increased by 7.65% or R940 thousand when compared to the 2024/25 Adjustment Budget. For the two outer years, contractors will increase by 0.98% or R130 thousand and 1.73% or R230 thousand respectively.

**Table 8: Operational Costs**

NO	DISCRIPTION	CURRENT YEAR 2024/2025			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
		APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
1	OC: ADV/PUB/MARK - CORP & MUN ACTIVITIES	2 345 000.00	800 000.00	209 135.74	700 000.00	- 14.29	732 200.00	764 416.00
2	OC: ADV/PUB/MARK - GIFTS & PROMO ITEMS	3 020 000.00	2 280 000.00	1 068 849.60	2 310 000.00	89.17	2 416 260.00	2 522 575.00
3	OC: ADV/PUB/MARK - MUNICIPAL NEWSLETTERS	50 000.00	-	-	50 000.00	-	52 300.00	54 601.00
4	OC: ADV/PUB/MARK - STAFF RECRUITMENT	200 000.00	137 200.00	37 200.00	137 200.00	-	143 511.00	149 825.00
5	OC: ADV/PUB/MARK - TENDERS	150 000.00	90 000.00	22 512.00	70 000.00	- 22.22	73 220.00	76 442.00
6	OC: AUDIT COST: EXTERNAL	4 000 000.00	6 600 000.00	3 654 577.70	4 800 000.00	- 27.27	5 020 800.00	5 241 715.00
7	OC: BC/FAC/C FEES - BANK ACCOUNTS	200 000.00	300 000.00	90 111.90	300 000.00	-	313 800.00	327 607.00
8	OC: BURSARIES (EMPLOYEES)	700 000.00	450 000.00	449 324.30	-	- 100.00	-	-
9	OC: BURSARIES (COUNCILLORS & EMPLOYEES)	400 000.00	300 000.00	226 881.73	700 000.00	133.33	732 200.00	764 417.00
10	OC: CLEAN SERV - LAUNDRY SERVICES	1 000.00	-	-	-	-	-	-
11	OC: CLEAN SERV - CAR VALET/WASHING SERV	30 000.00	20 000.00	10 510.00	15 000.00	- 25.00	15 690.00	16 380.00
12	OC: COMM - LICENCES (RADIO & TELEVISION)	20 000.00	20 000.00	4 608.70	20 000.00	-	20 920.00	21 840.00
13	OC: COMM - RADIO & TV TRANSMISSIONS	315 000.00	220 000.00	99 699.99	220 000.00	-	230 120.00	240 245.00
14	OC: COMM - SMS BULK MESSAGE SERVICE	20 000.00	-	-	-	-	-	-
15	OC: COMM - PHONE FAX TELEGRAPH & TELEX	810 000.00	773 229.00	606 074.37	773 229.00	-	808 798.00	844 384.00
16	OC: ENTERTAINMENT - EXEC MAYOR	50 000.00	50 000.00	38 767.20	50 000.00	-	52 300.00	54 601.00
17	OC: ENTERTAINMENT - COUNCILLORS	110 000.00	110 000.00	24 429.92	110 000.00	-	115 060.00	120 123.00
18	OC: ENTERTAINMENT - SENIOR MANAGEMENT	70 000.00	30 000.00	18 330.54	30 000.00	-	31 380.00	32 761.00
19	OC: EXT COM SERV PROV - INTERNET CHARGE	700 000.00	620 000.00	397 448.58	700 000.00	12.90	732 200.00	764 417.00
20	OC: EXT COM SERV PROV - NETWORK EXTENS	20 000.00	-	-	-	-	-	-
21	OC: EXT COM SERV PROV - S/WARE LICENCES	1 670 000.00	1 550 000.00	722 000.00	1 700 000.00	12.00	1 778 200.00	1 856 441.00
22	OC: EXT COM SERV PROV - SPEC COMPUT SERV	120 000.00	100 000.00	59 916.00	100 000.00	-	104 600.00	109 202.00
23	OC: HONORARIA (VOLUNTARILY WORKERS)	30 000.00	-	-	-	-	-	-
24	OC: HIRE CHARGES	3 470 000.00	1 530 000.00	646 905.31	1 440 000.00	- 14.55	1 506 240.00	1 572 511.00
25	OC: INSUR UNDER - EXCESS PAYMENTS	35 000.00	35 000.00	5 649.70	35 000.00	-	36 610.00	38 221.00
26	OC: INSUR UNDER - PREMIUMS	2 300 000.00	2 800 000.00	474 816.64	2 500 000.00	- 10.71	2 615 000.00	2 730 060.00
27	OC: LEARNERSHIPS & INTERNSHIPS	1 580 000.00	820 000.00	414 363.00	500 000.00	- 137.50	523 000.00	546 012.00
28	OC: LIC - VEHICLE LIC & REGISTRATIONS	150 000.00	180 000.00	124 172.94	180 000.00	-	188 280.00	196 564.00
29	OC: MUNICIPAL SERVICES	1 600 000.00	2 200 000.00	1 064 818.02	2 000 000.00	- 9.09	2 092 000.00	2 184 048.00
30	OC: PRINTING & PUBLICATIONS	200 000.00	130 000.00	36 531.00	130 000.00	-	135 980.00	141 963.00
31	OC: PROFESSIONAL BODIES M/SHIP & SUBS	1 780 000.00	1 710 000.00	1 472 406.80	1 660 000.00	- 3.23	1 736 360.00	1 812 759.00
32	OC: REG FEES NATIONAL	2 152 000.00	1 030 000.00	393 591.66	960 000.00	- 19.52	1 004 160.00	1 048 343.00
33	OC: SKILLS DEVELOPMENT FUND LEVY	794 000.00	1 329 000.00	1 092 923.51	1 383 600.00	50.00	1 447 246.00	1 510 924.00
34	OC: SIGNAGE	250 000.00	150 000.00	-	150 000.00	-	156 900.00	163 804.00
35	OC: TOLL GATE FEES	10 000.00	7 000.00	1 321.50	7 000.00	-	7 322.00	7 644.00
36	OC: TRANSPORT - EVENTS	1 180 000.00	960 000.00	145 245.96	840 000.00	- 85.56	878 640.00	917 300.00
37	OC: T&S DOM - ACCOMMODATION	900 000.00	1 345 000.00	903 275.75	970 000.00	- 94.68	1 014 620.00	1 059 263.00
38	OC: T&S DOM - DAILY ALLOWANCE	107 450.00	65 600.00	18 544.70	65 600.00	-	68 618.00	71 636.00
39	OC: T&S DOM - FOOD & BEVERAGE (SERVED)	30 350.00	10 000.00	-	18 000.00	-	18 828.00	19 656.00
40	OC: T&S DOM TRP - WITHOUT OPR CAR RENTAL	15 600.00	4 000.00	-	4 000.00	-	4 184.00	4 368.00
41	OC: T&S DOM TRP - W/OUT OPR OWN TRANSPRT	90 256.00	162 256.00	95 003.25	132 256.00	- 27.27	138 339.00	144 426.00
42	OC: STORAGE OF FILES (ARCHIVING)	150 000.00	-	-	-	-	-	-
43	OC: T&S DOM PUB TRP - AIR TRANSPORT	300 000.00	180 000.00	113 917.55	200 000.00	11.11	209 200.00	218 405.00
44	OC: TRANSPORT - MUNICIPAL ACTIVITIES	30 000.00	20 000.00	-	20 000.00	-	20 920.00	21 840.00
45	OC: UNIFORM & PROTECTIVE CLOTHING	980 000.00	830 000.00	124 454.36	520 000.00	- 109.80	543 920.00	567 851.00
46	OC: WORKMEN'S COMPENSATION FUND	500 000.00	700 000.00	-	700 000.00	-	732 200.00	764 417.00
SUB TOTAL : OPERATIONAL COST		33 635 656.00	30 648 285.00	14 868 319.92	27 200 885.00	- 11.25	28 452 126.00	29 704 007.00

- The proposed operational costs budget for the 2025/26 financial year has been appropriated at **R27.2 Million**. The operational costs have decreased by 11.25% or **R3.4 Million** when compared to the 2024/25 Adjustment Budget. For the two outer years, operational costs will increase by 4.6% or R1.2 Million and 4.4% or R1.2 Million respectively.

**Table 9: Inventory**

NO	DISCRIPTION	CURRENT YEAR 2024/2025			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
		APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
1	INV - CONSUMABLE STORES - STANDARD RATED	1 465 000.00	930 000.00	274 268.04	850 000.00	- 155.24	889 100.00	928 220.00
2	INV - CONSUMABLE STORES - ZERO RATED (FUEL)	2 020 000.00	2 200 000.00	1 308 856.46	2 200 000.00	-	2 301 200.00	2 402 453.00
3	INVENTORY - MATERIALS & SUPPLIES	1 570 000.00	1 300 000.00	343 958.02	1 150 000.00	- 114.80	1 202 900.00	1 255 826.00
SUB TOTAL - INVENTORY		5 055 000.00	4 430 000.00	1 927 082.52	4 200 000.00	- 5.19	4 393 200.00	4 586 499.00

- The proposed inventory budget for the 2025/26 financial year has been appropriated at **R4.2 Million**. There has been a decrease on inventory by 5.19% or R230 thousand when compared to the 2024/25 Adjustment Budget. For the two outer years, inventory will increase by 4.6% or R193 thousand in 2026/27 and by 4.4% or R193 Thousand in 2027/28.

**Table 10: Operating leases**

NO	DISCRIPTION	CURRENT YEAR 2024/2025			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
		APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
1	OPR LEASES: COMPUTER EQUIPMENT-PHOTOCOPIERS	1 000 000.00	1 380 000.00	908 055.73	1 500 000.00	8.70	1 569 000.00	1 638 036.00
2	OPR LEASES: OTHER ASSETS-BUILDING	1 500 000.00	3 900 000.00	400 667.40	1 000 000.00	74.36	1 046 000.00	1 092 024.00
	<b>SUB TOTAL : OPERATING LEASES</b>	<b>2 500 000.00</b>	<b>5 280 000.00</b>	<b>1 308 723.13</b>	<b>2 500 000.00</b>	<b>52.65</b>	<b>2 615 000.00</b>	<b>2 730 060.00</b>

- The proposed budget on operating leases for the 2025/26 financial year has been appropriated at **R2.5 Million**. The operating leases have decreased by 52.65% or R2.7 Million when compared to the 2024/25 Adjustment Budget. For the two outer years, operating leases will increase by 4.6% or R115 Thousand and 4.4% or R115 Thousand respectively.

**Table 11: Transfers and Subsidies**

NO	DISCRIPTION	CURRENT YEAR 2024/2025			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
		APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
1	HH: BURSARIES NON-EMPLOYEE CASH-DISCRETIONARY	100 000.00	200 000.00	97 552.41	200 000.00	-	209 200.00	218 405.00
2	TS_O_IK_HH_SOC ASSIS SOCIAL RELIEF	300 000.00	200 000.00	-	200 000.00	-	209 200.00	218 405.00
3	HH OTH TRANS: BURSARIES NON EMPLOYEE	1 000 000.00	1 000 000.00	656 579.40	1 000 000.00	-	1 046 000.00	1 092 024.00
4	TS_O_M_HH_CASH_UNSPECIFIED-SPORTS	100 000.00	200 000.00	-	300 000.00	50.00	313 800.00	327 607.00
5	HH OTH TRANS:LED SUPPORT GRANTS	2 900 000.00	300 000.00	-	2 500 000.00	733.33	2 615 000.00	2 730 060.00
6	PRIV ENT: SUBS N-FIN ENTPR - PRODUCT	30 000.00	-	-	-	-	-	-
7	NON PROF: TOURISM	100 000.00	-	-	50 000.00	-	52 300.00	54 601.00
	<b>SUB TOTAL : TRANSFERS &amp; SUBSIDIES</b>	<b>4 530 000.00</b>	<b>1 900 000.00</b>	<b>754 131.81</b>	<b>4 250 000.00</b>	<b>123.68</b>	<b>4 445 500.00</b>	<b>4 641 102.00</b>

- The proposed budget on transfers and subsidies for the 2025/26 financial year has been appropriated at **R4.2 Million**. The transfers and subsidies have increased by 123.68% or R2.3 Million when compared to the 2024/25 Adjustment Budget. For the two outer years, transfers and subsidies will increase by 4.6% or R195 Thousand 2026/27 and increase by 4.4% or R195 thousand in 2027/28.

The following contributing factors has led to the 123.68% increase:

- SMMEs Support Grants

**Table 12: Depreciation and Amortisation**

NO	DISCRIPTION	CURRENT YEAR 2024/2025			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
		APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
1	AMORTISATION INTANG COMPUTER SOFTWARE	923 840.00	923 840.00	-	923 840.00	-	966 336.00	1 008 856.00
2	DEPRECIATION COMPUTER EQUIPMENT	1 233 735.00	1 233 735.00	-	1 233 735.00	-	1 290 486.00	1 347 269.00
3	DEPRECIATION FURNITURE & OFFICE EQUIPM	956 168.00	956 168.00	-	956 168.00	-	1 000 152.00	1 044 158.00
4	DEPRECIATION MACHINERY & EQUIPMENT	321 706.00	321 706.00	-	321 706.00	-	336 504.00	351 311.00
5	DEPRECIATION TRANSPORT ASSETS	1 462 080.00	1 462 080.00	-	1 462 080.00	-	1 529 335.00	1 596 627.00
6	DEPRECIATION NETWORK & COMM DATA CENTRES	1 092 641.00	1 092 641.00	-	1 092 641.00	-	1 142 903.00	997 051.00
7	DEPRECIATION COMMUNITY HALLS	585 160.00	585 160.00	-	585 160.00	-	612 077.00	639 008.00
8	DEPRECIATION OP BUILDING MUNIC OFFICES	413 235.00	413 235.00	-	413 235.00	-	432 244.00	451 262.00
	<b>SUB TOTAL : DEPRECIATION &amp; AMORTISATION</b>	<b>6 988 565.00</b>	<b>6 988 565.00</b>	<b>-</b>	<b>6 988 565.00</b>	<b>-</b>	<b>7 310 037.00</b>	<b>7 435 542.00</b>

- The proposed budget on depreciation and amortisation for the 2025/26 financial year has been appropriated at **R6.9 Million**. The depreciation and amortisation remain unchanged when compared to the 2024/25 Adjustment Budget. For the two outer years, depreciation and amortisation will increase by 4.6% or R321 thousand and 1.7% or R125 thousand respectively.

## Capital Expenditure Framework

The following table is a summary of the 2025/26 MTREF (classified per main type of capital expenditure)

**Table 12: Capital Expenditure List**

CAPITAL EXPENDITURE LIST			CURRENT YEAR 2024/2025			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
NO	DEPARTMENT	DESCRIPTION	APPROVED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2025	2025 / 2026 BUDGET	GROWTH RATE	2026 / 2027 BUDGET	2027 / 2028 BUDGET
1	MUNICIPAL MANAGER	COMMUNICATION EQUIPMENT	300 000.00	400 000.00	-	400 000.00	-	200 000.00	150 000.00
2	CORPORATE SERVICES	OFFICE FURNITURE AND FITTINGS	1 000 000.00	300 000.00	-	300 000.00	-	700 000.00	400 000.00
3	CORPORATE SERVICES	COMPUTER EQUIPMENT	1 000 000.00	500 000.00	92 543.50	500 000.00	-	1 000 000.00	500 000.00
4	CORPORATE SERVICES	NETWORK UPGRADE	500 000.00	500 000.00	-	500 000.00	-	1 000 000.00	500 000.00
5	CORPORATE SERVICES	ELECTRONIC RECORD SYSTEM	100 000.00	-	-	-	-	-	-
6	CORPORATE SERVICES	CLOUD-BASED BACKUP AND DISASTER RECOVERY	200 000.00	-	-	-	-	-	-
7	CORPORATE SERVICES	UNIFIED THREAT MANAGEMENT (UTM) - SECURITY	100 000.00	-	-	-	-	-	-
8	CORPORATE SERVICES	ENDPOINT PROTECTION AND PATCH MANAGEMENT	250 000.00	-	-	-	-	-	-
9	CORPORATE SERVICES	IT HELP DESK SERVICES (INTANGIBLE)	100 000.00	-	-	-	-	-	-
10	CORPORATE SERVICES	LICENCE MANAGEMENT SOFTWARE (INTANGIBLE)	150 000.00	-	-	-	-	-	-
11	CORPORATE SERVICES	INTANGIBLES	-	400 000.00	38 993.50	400 000.00	-	150 000.00	-
12	CORPORATE SERVICES	FLEET	2 000 000.00	2 500 000.00	1 974 707.83	2 000 000.00	- 20.00	500 000.00	350 000.00
13	CORPORATE SERVICES	CONFERENCE SYSTEM	1 100 000.00	1 100 000.00	-	-	- 100.00	500 000.00	200 000.00
14	CORPORATE SERVICES	TELEPHONE SYSTEM	800 000.00	500 000.00	-	-	- 100.00	250 000.00	100 000.00
15	CORPORATE SERVICES	SERVER ROOM UPGRADE	200 000.00	-	-	-	-	-	-
16	CORPORATE SERVICES	HIGH-CAPACITY UPS/INVERTERS	200 000.00	-	-	-	-	-	-
17	CORPORATE SERVICES	AIRCONDITIONING EQUIPMENT	300 000.00	300 000.00	-	-	- 100.00	-	-
17	BTO	FINANCIAL SYSTEM	1 200 000.00	2 400 000.00	1 026 086.96	2 450 000.00	2.08	700 000.00	-
18	LED & PLANNING	ACQUISITION OF OFFICE SPACE	1 500 000.00	-	-	1 500 000.00	-	-	-
19	LED & PLANNING	WATER PROJECTS	1 000 000.00	1 500 000.00	-	2 500 000.00	66.67	2 000 000.00	1 600 000.00
20	LED & PLANNING	LIGHTING PROTECTION / CONDUCTOR	200 000.00	-	-	200 000.00	-	-	-
21	LED & PLANNING	AGRI-PARKS	2 000 000.00	2 000 000.00	-	2 000 000.00	-	-	-
22	LED & PLANNING	CULTURAL VILLAGE	1 000 000.00	-	-	-	-	-	-
23	LED & PLANNING	UPGRADE OF DISASTER CENTRE	500 000.00	500 000.00	-	500 000.00	-	200 000.00	100 000.00
24	COMMUNITY SERVICES	TOOLS	1 200 000.00	400 000.00	-	300 000.00	- 25.00	200 000.00	100 000.00
25	COMMUNITY SERVICES	PEST CONTROL EQUIPMENT	100 000.00	40 000.00	-	-	- 100.00	-	-
26	COMMUNITY SERVICES	SAMPLING KITS	50 000.00	-	-	-	-	-	-
27	COMMUNITY SERVICES	TWO WAY RADIO SYSTEM, FIRE EMERG SERVICES	1 000 000.00	1 000 000.00	-	-	- 100.00	-	-
28	COMMUNITY SERVICES	FIRE BAY DOORS	1 200 000.00	-	-	1 000 000.00	-	600 000.00	200 000.00
29	COMMUNITY SERVICES	DISASTER MANAGEMENT SPATIAL SYSTEM	1 200 000.00	-	-	-	-	-	-
30	COMMUNITY SERVICES	WATER TANKER TRUCK & EQUIPMENT	5 000 000.00	4 820 000.00	-	-	- 100.00	-	-
31	COMMUNITY SERVICES	FLOODS AND DISASTER RESPONSE VEHICLE	1 500 000.00	-	-	-	-	-	-
32	COMMUNITY SERVICES	LANDFILL SITE DISTRICT	1 000 000.00	-	-	1 500 000.00	-	1 500 000.00	1 000 000.00
33	COMMUNITY SERVICES	SOLID WASTE BULK CONTAINERS/WASTEBINS	2 000 000.00	-	-	-	-	-	-
TOTAL			29 950 000.00	19 160 000.00	3 132 331.79	16 050 000.00	- 16.23	9 500 000.00	5 200 000.00

- The proposed capital budget for the 2025/26 financial year has been appropriated at **R16 Million**. The capital expenditure has decreased by 16.23% or R3.1 Million when compared to the 2024/25 Adjustment Budget. For the two outer years, capital expenditure will decrease by 40.81% or R6.5 Million and 45.26% or R4.3 Million respectively. Expenditure on Allocations and Grants Programme

## 2.7. Expenditure on Allocations and Grants Programme

DC40 Dr Kenneth Kaunda - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2019/20	2020/21	2023/24	2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		-	-	-	42 716	42 716	42 716	43 176	40 984	38 708
Local Government Equitable Share	-				33 503	33 503	33 503	32 981	32 768	34 256
Energy Efficiency and Demand Side Management	-				4 000	4 000	4 000	4 000	4 000	
Expanded Public Works Programme Integrated Grants	-				1 452	1 452	1 452	2 211		
Local Government Financial Management Grant	-				1 000	1 000	1 000	1 100	1 200	1 300
Municipal Disaster Relief Grant	-				-	-	-	-		
Municipal Systems Improvement Grant	-				-	-	-	-		
Rural Road Asset Management Systems Grant	-				2 761	2 761	2 761	2 884	3 016	3 152
	-	-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	-	-	3 500	3 500	3 500	2 000	2 092	2 184
Education Training and Development Practices SETA	-				3 500	3 500	3 500	2 000	2 092	2 184
Local Government Water and Related Service SETA	-									
<b>Total Operating Transfers and Grants</b>	5	-	-	-	46 216	46 216	46 216	45 176	43 076	40 892
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert desc]										
	-	-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
Education Training and										
<b>Total Capital Transfers and Grants</b>	5	-	-	-	-	-	-	-	-	-
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		-	-	-	46 216	46 216	46 216	45 176	43 076	40 892

## 2.8. Allocations or Grants made by the Municipality

DC40 Dr Kenneth Kaunda - Supporting Table SA21 Transfers and grants made by the municipality											
Description	Ref	2019/20	2020/21	2023/24	2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
Cash Transfers to other municipalities											
Insert description	1	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
Insert description	2	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
Insert description	3	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
Non Prof: Tourism		-	-	-	100	-	-	-	50	52	55
Non Prof: Unspecified		-	-	-	-	-	-	-	-	-	-
Priv Ent: Subs N-Fin Entpr - Product		-	-	-	30	-	-	-	-	-	-
Ts_O_M_Pe_Oth Trf Pe_Unspecified		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Organisations		-	-	-	130	-	-	-	50	52	55
Cash Transfers to Groups of Individuals											
Hh Oth Trans: Bursaries Non Employee		-	-	-	-	-	-	-	-	-	-
Hh Oth Trans: Bursaries Non Employee		-	-	-	1 000	1 000	1 000	1 000	1 000	1 046	1 092
Hh Oth Trans: Epwp - Skill Dev & Train		-	-	-	-	-	-	-	-	-	-
Hh Oth Trans: Rural Dev - Food Prod & Sec		-	-	-	2 900	300	300	300	2 500	2 615	2 730
Hh Ssp Soc Ass: Poverty Relief		-	-	-	-	-	-	-	-	-	-
Ts_O_M_Hh_Cash_Farmer Supp HH (Cash)		-	-	-	100	200	200	200	300	314	328
Ts_O_M_Hh_Cash_Unspecified		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Groups Of Individuals:		-	-	-	4 000	1 500	1 500	1 500	3 800	3 975	4 150
TOTAL CASH TRANSFERS AND GRANTS	6	-	-	-	4 130	1 500	1 500	1 500	3 850	4 027	4 204
Non-Cash Transfers to other municipalities											
Insert description	1	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms											
Insert description	2	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State											
Insert description	3	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Non-Cash Grants to Organisations											
Insert description	4	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Groups of Individuals											
Hh: Bursaries Non-Employee Cash	5	-	-	-	100	200	200	200	200	209	218
Ts_O_Rk_Hh_Soc Assis_Poverty Relief		-	-	-	-	-	-	-	-	-	-
Ts_O_Rk_Hh_Soc Assis_Social Relief		-	-	-	300	200	200	200	200	209	218
		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	400	400	400	400	400	418	437
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	400	400	400	400	400	418	437
TOTAL TRANSFERS AND GRANTS	6	-	-	-	4 530	1 900	1 900	1 900	4 250	4 446	4 641

## 2.9. Disclosure on Salaries, Allowance and Benefits (SA22)

Supporting table is in respect of the disclosure of salaries, allowances and benefits is attached below

DC40 Dr Kenneth Kaunda - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2019/20	2020/21	2023/24	2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		-	-	-	8 874	9 483	9 483	10 217	10 666	10 666
Pension and UIF Contributions		-	-	-	580	635	635	684	714	714
Medical Aid Contributions		-	-	-	115	114	114	123	128	128
Motor Vehicle Allowance		-	-	-	1 401	1 380	1 380	1 487	1 552	1 552
Cellphone Allowance		-	-	-	1 014	755	755	814	849	849
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	1 208	825	825	889	928	928
<b>Sub Total - Councillors</b>		-	-	-	13 192	13 192	13 192	14 213	14 838	14 838
<b>% increase</b>	4		-	-	-	-	-	7.7%	4.4%	-
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		-	-	-	5 691	4 163	4 163	4 541	4 741	4 741
Pension and UIF Contributions		-	-	-	-	216	216	236	246	246
Medical Aid Contributions		-	-	-	72	104	104	113	118	118
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	235	177	177	193	202	202
Motor Vehicle Allowance		-	-	-	1 178	906	906	989	1 032	1 032
Cellphone Allowance	3	-	-	-	151	127	127	139	145	145
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	20	20	20	22	23	23
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	1 612	1 683	1 683
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		-	-	-	7 348	5 713	5 713	7 845	8 190	8 190
<b>% increase</b>	4		-	-	-	(22.2%)	-	37.3%	4.4%	-
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		-	-	-	71 031	69 820	69 820	72 297	75 652	95 066
Pension and UIF Contributions		-	-	-	14 380	15 259	15 259	15 882	16 615	18 348
Medical Aid Contributions		-	-	-	6 166	7 027	7 027	7 320	7 657	8 251
Overtime		-	-	-	800	996	996	1 039	1 086	1 134
Performance Bonus		-	-	-	5 230	6 310	6 310	6 573	6 875	7 389
Motor Vehicle Allowance		-	-	-	8 156	9 055	9 055	9 353	9 788	12 917
Cellphone Allowance	3	-	-	-	219	643	643	639	670	1 738
Housing Allowances	3	-	-	-	681	559	559	583	610	637
Other benefits and allowances	3	-	-	-	290	843	843	850	891	1 923
Payments in lieu of leave		-	-	-	4 042	5 260	5 260	5 486	5 738	5 991
Long service awards		-	-	-	1 180	1 478	1 478	(71)	(71)	1 683
Post-retirement benefit obligations	6	-	-	-	430	500	500	522	545	569
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	1 346	2 093	2 093	2 183	2 284	2 384
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		-	-	-	113 951	119 843	119 843	122 656	128 342	158 030
<b>% increase</b>	4		-	-	-	5.2%	-	2.3%	4.6%	23.1%
<b>Total Parent Municipality</b>		-	-	-	134 490	138 748	138 748	144 713	151 370	181 059
<b>Board Members of Entities</b>										
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Board Members of Entities</b>		-	-	-	-	-	-	-	-	-
<b>% increase</b>	4		-	-	-	-	-	-	-	-
<b>Senior Managers of Entities</b>										
<b>Sub Total - Senior Managers of Entities</b>		-	-	-	-	-	-	-	-	-
<b>% increase</b>	4		-	-	-	-	-	-	-	-
<b>Other Staff of Entities</b>										
<b>Sub Total - Other Staff of Entities</b>		-	-	-	-	-	-	-	-	-
<b>% increase</b>	4		-	-	-	-	-	-	-	-
<b>Total Municipal Entities</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		-	-	-	134 490	138 748	138 748	144 713	151 370	181 059
<b>% increase</b>	4		-	-	-	3.2%	-	4.3%	4.6%	19.6%
<b>TOTAL MANAGERS AND STAFF</b>	5,7	-	-	-	121 298	125 556	125 556	130 501	136 532	166 221

## Councillors

- On a yearly basis the Minister of Local Provincial Government set the upper limit on determination of councillor's allowances. The proposed remuneration of councillors for the 2025/26 financial has been appropriated at **R13.5 Million**. The estimate is made while waiting for the final pronouncement on the increase



by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998).

### Senior Officials and Municipal Staff

- The proposed employee related costs for the 2025/26 financial has been appropriated at **R144.7 Million**. The employee related costs have increased by 4.3%. The employee related cost budget constitute **58.28%** of the total operating expenditure budget.

## 2.10. Monthly Targets for Revenue, Expenditure and Cash Flow (SA25-30)

Tables are attached that present the monthly projection on cash inflow and outflow. No bridging overdraft will be required

### DC40 Dr Kenneth Kaunda - Supporting Table SA25 Budgeted monthly revenue and expenditure

DC40 Dr Kenneth Kaunda - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>																
<b>Revenue</b>																
<b>Exchange Revenue</b>																
Service charges - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Goods and Rendering of Services		10	10	10	10	10	10	10	10	10	10	10	10	120	126	131
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		792	792	792	792	792	792	792	792	792	792	792	792	9 500	9 937	10 374
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		21	21	21	21	21	21	21	21	21	21	21	21	250	262	273
Licence and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		3	3	3	3	3	3	3	3	3	3	3	3	30	31	33
<b>Non-Exchange Revenue</b>																
Property rates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences or permits		108	108	108	108	108	108	108	108	108	108	108	108	1 300	1 360	1 420
Transfer and subsidies - Operational		3 765	3 765	3 765	3 765	3 765	3 765	3 765	3 765	3 765	3 765	3 765	3 765	45 176	43 076	40 892
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel Levy		16 008	16 008	16 008	16 008	16 008	16 008	16 008	16 008	16 008	16 008	16 008	16 008	192 095	200 378	209 439
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contrib)</b>		<b>20 706</b>	<b>20 706</b>	<b>20 706</b>	<b>20 706</b>	<b>20 706</b>	<b>20 706</b>	<b>20 706</b>	<b>20 706</b>	<b>20 706</b>	<b>20 706</b>	<b>20 706</b>	<b>20 706</b>	<b>248 471</b>	<b>255 169</b>	<b>262 562</b>
<b>Expenditure</b>																
Employee related costs		12 059	12 059	12 059	12 059	12 059	12 059	12 059	12 059	12 059	12 059	12 059	12 059	144 713	151 370	158 030
Remuneration of councillors		1 132	1 132	1 132	1 132	1 132	1 132	1 132	1 132	1 132	1 132	1 132	1 132	13 588	14 213	14 838
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		350	350	350	350	350	350	350	350	350	350	350	350	4 200	4 393	4 587
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation		599	599	599	599	599	599	599	599	599	599	599	599	7 194	7 514	7 648
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		3 724	3 724	3 724	3 724	3 724	3 724	3 724	3 724	3 724	3 724	3 724	3 724	44 685	41 163	38 157
Transfer and subsidies		354	354	354	354	354	354	354	354	354	354	354	354	4 250	4 446	4 641
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational costs		2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475	29 701	31 067	32 434
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>20 693</b>	<b>20 693</b>	<b>20 693</b>	<b>20 693</b>	<b>20 693</b>	<b>20 693</b>	<b>20 693</b>	<b>20 693</b>	<b>20 693</b>	<b>20 693</b>	<b>20 693</b>	<b>20 693</b>	<b>248 320</b>	<b>254 166</b>	<b>260 335</b>
<b>Surplus/(Deficit)</b>		<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>151</b>	<b>1 004</b>	<b>2 226</b>
Transfers and subsidies - capital (monetary allocations)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>151</b>	<b>1 004</b>	<b>2 226</b>
Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>151</b>	<b>1 004</b>	<b>2 226</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</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>151</b>	<b>1 004</b>	<b>2 226</b>
Share of Surplus/(Deficit) attributable to Associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>151</b>	<b>1 004</b>	<b>2 226</b>



# DC40 Dr Kenneth Kaunda - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

DC40 Dr Kenneth Kaunda - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue by Vote</b>																
Vote 1 - EXECUTIVE AND COUNCIL		188	188	188	188	188	188	188	188	188	188	188	188	2 250	2 354	2 457
Vote 2 - MUNICIPAL MANAGER ADMINISTRATION		19 652	19 652	19 652	19 652	19 652	19 652	19 652	19 652	19 652	19 652	19 652	19 652	235 826	244 440	255 533
Vote 3 - CORPORATE SERVICES ADMINISTRATION		108	108	108	108	108	108	108	108	108	108	108	108	1 300	1 360	1 420
Vote 4 - FINANCIAL SERVICES ADMINISTRATION		758	758	758	758	758	758	758	758	758	758	758	758	9 095	7 016	3 152
Vote 5 - COMMUNITY AND SOCIAL SERVICES																
Vote 6 - LED PLANNING AND DEVELOPMENT																
Vote 7 - INTERNAL AUDIT																
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>		20 706	20 706	20 706	20 706	20 706	20 706	20 706	20 706	20 706	20 706	20 706	20 706	248 471	255 169	262 562
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - EXECUTIVE AND COUNCIL		1 943	1 943	1 943	1 943	1 943	1 943	1 943	1 943	1 943	1 943	1 943	1 943	23 313	24 386	25 458
Vote 2 - MUNICIPAL MANAGER ADMINISTRATION		3 615	3 615	3 615	3 615	3 615	3 615	3 615	3 615	3 615	3 615	3 615	3 615	43 384	45 379	47 376
Vote 3 - CORPORATE SERVICES ADMINISTRATION		2 849	2 849	2 849	2 849	2 849	2 849	2 849	2 849	2 849	2 849	2 849	2 849	34 190	35 763	37 336
Vote 4 - FINANCIAL SERVICES ADMINISTRATION		2 921	2 921	2 921	2 921	2 921	2 921	2 921	2 921	2 921	2 921	2 921	2 921	35 062	34 122	35 196
Vote 5 - COMMUNITY AND SOCIAL SERVICES		5 526	5 526	5 526	5 526	5 526	5 526	5 526	5 526	5 526	5 526	5 526	5 526	66 310	69 360	72 412
Vote 6 - LED PLANNING AND DEVELOPMENT		3 199	3 199	3 199	3 199	3 199	3 199	3 199	3 199	3 199	3 199	3 199	3 199	38 390	37 121	34 168
Vote 7 - INTERNAL AUDIT		640	640	640	640	640	640	640	640	640	640	640	640	7 681	8 035	8 388
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>		20 693	20 693	20 693	20 693	20 693	20 693	20 693	20 693	20 693	20 693	20 693	20 693	248 320	254 166	260 335
<b>Surplus/(Deficit) before assoc.</b>		13	13	13	13	13	13	13	13	13	13	13	13	151	1 004	2 226
Income Tax																
Share of Surplus/(Deficit) attributable to Minorities																
Intercompany/Parent subsidiary transactions																
<b>Surplus/(Deficit)</b>	1	13	13	13	13	13	13	13	13	13	13	13	13	151	1 004	2 226

# DC40 Dr Kenneth Kaunda - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

DC40 Dr Kenneth Kaunda - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue - Functional</b>																
Governance and administration		19 840	19 840	19 840	19 840	19 840	19 840	19 840	19 840	19 840	19 840	19 840	19 840	238 076	246 793	257 990
Executive and council																
Finance and administration		19 840	19 840	19 840	19 840	19 840	19 840	19 840	19 840	19 840	19 840	19 840	19 840	238 076	246 793	257 990
Internal audit																
Community and public safety		108	108	108	108	108	108	108	108	108	108	108	108	1 300	1 360	1 420
Community and social services		108	108	108	108	108	108	108	108	108	108	108	108	1 300	1 360	1 420
Sport and recreation																
Public safety																
Housing																
Health																
Economic and environmental services		758	758	758	758	758	758	758	758	758	758	758	758	9 095	7 016	3 152
Planning and development		758	758	758	758	758	758	758	758	758	758	758	758	9 095	7 016	3 152
Road transport																
Environmental protection																
Trading services																
Energy sources																
Water management																
Waste water management																
Waste management																
<b>Other</b>																
<b>Total Revenue - Functional</b>		20 706	20 706	20 706	20 706	20 706	20 706	20 706	20 706	20 706	20 706	20 706	20 706	248 471	255 169	262 562
<b>Expenditure - Functional</b>																
Governance and administration		11 968	11 968	11 968	11 968	11 968	11 968	11 968	11 968	11 968	11 968	11 968	11 968	143 620	147 684	153 755
Executive and council		5 558	5 558	5 558	5 558	5 558	5 558	5 558	5 558	5 558	5 558	5 558	5 558	66 697	69 765	72 834
Finance and administration		5 770	5 770	5 770	5 770	5 770	5 770	5 770	5 770	5 770	5 770	5 770	5 770	69 242	69 885	72 533
Internal audit		640	640	640	640	640	640	640	640	640	640	640	640	7 681	8 035	8 388
Community and public safety		5 526	5 526	5 526	5 526	5 526	5 526	5 526	5 526	5 526	5 526	5 526	5 526	66 310	69 360	72 412
Community and social services																
Sport and recreation																
Public safety																
Housing																
Health																
Economic and environmental services		3 199	3 199	3 199	3 199	3 199	3 199	3 199	3 199	3 199	3 199	3 199	3 199	38 390	37 121	34 168
Planning and development		3 199	3 199	3 199	3 199	3 199	3 199	3 199	3 199	3 199	3 199	3 199	3 199	38 390	37 121	34 168
Road transport																
Environmental protection																
Trading services																
Energy sources																
Water management																
Waste water management																
Waste management																
<b>Other</b>																
<b>Total Expenditure - Functional</b>		20 693	20 693	20 693	20 693	20 693	20 693	20 693	20 693	20 693	20 693	20 693	20 693	248 320	254 166	260 335
<b>Surplus/(Deficit) before assoc.</b>		13	13	13	13	13	13	13	13	13	13	13	13	151	1 004	2 226
Income Tax																
Share of Surplus/(Deficit) attributable to Minorities																
Intercompany/Parent subsidiary transactions																
<b>Surplus/(Deficit)</b>	1	13	13	13	13	13	13	13	13	13	13	13	13	151	1 004	2 226

## DC40 Dr Kenneth Kaunda - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

DC40 Dr Kenneth Kaunda - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>																
<b>Multi-year expenditure to be appropriated</b>	1															
Vote 1 - EXECUTIVE AND COUNCIL																
Vote 2 - MUNICIPAL MANAGER ADMINISTRATION																
Vote 3 - CORPORATE SERVICES ADMINISTRATION																
Vote 4 - FINANCIAL SERVICES ADMINISTRATION																
Vote 5 - COMMUNITY AND SOCIAL SERVICES																
Vote 6 - LED PLANNING AND DEVELOPMENT																
Vote 7 - INTERNAL AUDIT																
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>Capital multi-year expenditure sub-total</b>	2															
<b>Single-year expenditure to be appropriated</b>																
Vote 1 - EXECUTIVE AND COUNCIL																
Vote 2 - MUNICIPAL MANAGER ADMINISTRATION		33	33	33	33	33	33	33	33	33	33	33	33	400	200	150
Vote 3 - CORPORATE SERVICES ADMINISTRATION		308	308	308	308	308	308	308	308	308	308	308	308	3 700	4 100	2 050
Vote 4 - FINANCIAL SERVICES ADMINISTRATION		204	204	204	204	204	204	204	204	204	204	204	204	2 450	700	
Vote 5 - COMMUNITY AND SOCIAL SERVICES		233	233	233	233	233	233	233	233	233	233	233	233	2 800	2 300	1 300
Vote 6 - LED PLANNING AND DEVELOPMENT		558	558	558	558	558	558	558	558	558	558	558	558	6 700	2 200	1 700
Vote 7 - INTERNAL AUDIT																
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>Capital single-year expenditure sub-total</b>	2	1 337	1 337	1 337	1 337	1 337	1 337	1 337	1 337	1 337	1 337	1 337	1 338	16 050	9 500	5 200
<b>Total Capital Expenditure</b>	2	1 337	1 337	1 337	1 337	1 337	1 337	1 337	1 337	1 337	1 337	1 337	1 338	16 050	9 500	5 200

## DC40 Dr Kenneth Kaunda - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

DC40 Dr Kenneth Kaunda - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>																
<b>Capital Expenditure - Functional</b>	1															
<b>Governance and administration</b>		546	546	546	546	546	546	546	546	546	546	546	546	6 550	5 000	2 200
Executive and council		33	33	33	33	33	33	33	33	33	33	33	33	400	200	150
Finance and administration		513	513	513	513	513	513	513	513	513	513	513	513	6 150	4 800	2 050
Internal audit																
<b>Community and public safety</b>		233	233	233	233	233	233	233	233	233	233	233	233	2 800	2 300	1 300
Community and social services		233	233	233	233	233	233	233	233	233	233	233	233	2 800	2 300	1 300
Sport and recreation																
Public safety																
Housing																
Health																
<b>Economic and environmental services</b>		558	558	558	558	558	558	558	558	558	558	558	558	6 700	2 200	1 700
Planning and development		558	558	558	558	558	558	558	558	558	558	558	558	6 700	2 200	1 700
Road transport																
Environmental protection																
<b>Trading services</b>																
Energy sources																
Water management																
Waste water management																
Waste management																
<b>Other</b>																
<b>Total Capital Expenditure - Functional</b>	2	1 337	1 337	1 337	1 337	1 337	1 337	1 337	1 337	1 337	1 337	1 337	1 338	16 050	9 500	5 200
<b>Funded by:</b>																
National Government																
Provincial Government																
District Municipality																
transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)																
Transfers recognised - capital																
Borrowing																
Internally generated funds		1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	16 050	9 500	5 200
<b>Total Capital Funding</b>		1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	16 050	9 500	5 200

## DC40 Dr Kenneth Kaunda - Supporting Table SA30 Budgeted monthly cash flow

DC40 Dr Kenneth Kaunda - Supporting Table SA30 Budgeted monthly cash flow																
MONTHLY CASH FLOWS		Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand																
Cash Receipts By Source													1			
Property rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	10	10	10	10	10	10	10	10	10	10	10	10	120	120	126	131
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	792	792	792	792	792	792	792	792	792	792	792	792	9 500	9 500	9 937	10 374
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits	21	21	21	21	21	21	21	21	21	21	21	21	250	250	262	273
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	3	3	3	3	3	3	3	3	3	3	3	3	30	30	31	33
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Receipts by Source	825	825	825	825	825	825	825	825	825	825	825	825	9 900	9 900	10 355	10 811
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	19 773	19 773	19 773	19 773	19 773	19 773	19 773	19 773	19 773	19 773	19 773	19 773	237 271	237 271	243 454	250 331
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	108	108	108	108	108	108	108	108	108	108	108	108	1 300	1 300	1 360	1 420
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VAT Control (receipts)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	20 706	20 706	20 706	20 706	20 706	20 706	20 706	20 706	20 706	20 706	20 706	20 706	248 471	248 471	255 169	262 562
Cash Payments by Type																
Employee related costs	12 059	12 059	12 059	12 059	12 059	12 059	12 059	12 059	12 059	12 059	12 059	12 059	144 713	144 713	151 370	158 030
Remuneration of councillors	1 132	1 132	1 132	1 132	1 132	1 132	1 132	1 132	1 132	1 132	1 132	1 132	13 588	13 588	14 213	14 838
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisitions - water & other inventory	350	350	350	350	350	350	350	350	350	350	350	350	4 200	4 200	4 393	4 587
Contracted services	3 724	3 724	3 724	3 724	3 724	3 724	3 724	3 724	3 724	3 724	3 724	3 724	44 685	44 685	44 685	44 685
Transfers and subsidies - other municipalities	354	354	354	354	354	354	354	354	354	354	354	354	4 250	4 250	4 446	4 641
Transfers and subsidies - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475	29 701	29 701	27 545	25 906
Cash Payments by Type	20 095	20 095	20 095	20 095	20 095	20 095	20 095	20 095	20 095	20 095	20 095	20 095	241 137	241 137	246 652	252 687
Other Cash Flows/Payments by Type																
Capital assets	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	16 050	16 050	9 500	5 200
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	21 432	21 432	21 432	21 432	21 432	21 432	21 432	21 432	21 432	21 432	21 432	21 432	257 187	257 187	256 152	257 887
NET INCREASE/(DECREASE) IN CASH HELD	(726)	(726)	(726)	(726)	(726)	(726)	(726)	(726)	(726)	(726)	(726)	(726)	(8 716)	(8 716)	(982)	4 675
Cash/cash equivalents at the monthly/year begin:	20 955	1 020	1 020	1 020	1 020	1 020	1 020	1 020	1 020	1 020	1 020	1 020	20 955	12 239	3 524	2 541
Cash/cash equivalents at the monthly/year end:	20 229	294	294	294	294	294	294	294	294	294	294	294	12 239	3 524	2 541	7 216

## 2.11. Annual budgets and SDBIP's – internal departments

### Introduction

The purpose of this document is to present the Service Delivery and Delivery and Budget Implementation Plan (SDBIP) of the Dr Kenneth Kaunda District Municipality for 2025/26 Financial Year. The development, implementation, and monitoring of a Service Delivery and Delivery and Budget Implementation Plan is a requirement for of the Municipal Finance Management Act (MFMA) No 56 of 2003.

The SDBIP is a detailed one year plan of the municipality that gives effect to the IDP and budget of the municipality. The SDBIP is a management plan for implementing the IDP through the approval budget. It is an expression of the objective of the municipality, in quantifiable outcomes that will be implemented for the financial year. It includes the service delivery targets for each quarter and facilitates oversight over financial and non-financial performance of the municipality.

The 2024/25 SDBIP will not only ensure appropriate monitoring in the Execution of the municipality budget and processes involved in the allocation of budget to achieve key strategic objectives as set in the municipality's Integrated Development Plan

(IDP), but will also serve as the kernel of annual performance contract for senior management and provide a foundation for the overall annual and quarterly organisational performance for the 2025/26 Financial Year.

The SDBIP also assist the Executive, Council and the community in their respective oversight responsibilities since it serves as an implementation and monitoring tool.

### **Legislative framework**

Section 1 of the MFMA defines the SDBIP as a detailed plan approved by the mayor of a municipality in terms of section 53(1) (c)(ii) for implementing the municipality's delivery of service and its annual budget and which must indicate:

- a) Projections for each month of:-
  - I. Revenue to be collected, by source and
  - II. Operational and capital expenditure by vote
- b) Service delivery targets and performance indicators for each quarter and
- c) Any other matter that may prescribed and includes any revision of such plan by the mayor in terms of section 54(1) (c)

The MFMA requires that municipalities develop a Service Delivery and Budget Implementation Plan as a strategic financial management tool to ensure that budgetary decision that are adopted by municipalities for the financial year are aligned with their Integrated Development Plan Strategy. In terms of section 53(1) (c)(ii) of the MFMA, the SDBIP must be approved by the mayor of a municipality within 28 days of the approval of the budget

### **Components of the SDBIP**

- Monthly Projections of Expenditure and Revenue for each vote
- Quarterly projections of Service Delivery targets and Performance Indicators

### **Monthly Projections of Expenditure and Revenue for each Vote**

The monthly projection of revenue and expenditure per vote relate to the cash paid and reconciles with the cash statement adopted with the budget. The focus under this component is a monthly projections per vote in addition to projection by source. When reviewing budget projections against actuals, it is useful to consider revenue and expenditure per vote in order to gain more complete picture of budget projections against actuals.

## **Quarterly Projections of Service Delivery Targets and Performance Indicators for each vote**

This component of the SDBIP requires non- financial measurable performance objectives in the form of service delivery targets and other indicators of performance. The focus is on outputs rather than inputs. Service delivery targets relates to the level and standard of service being provided to the community and include the addressing of backlogs in basic services. The approach encouraged by NT's MFMA circular No. 13 is the utilisation of scorecards to monitor service delivery.

### **Detailed Capital Budget over Three Years**

Information detailing infrastructural projects containing project description and anticipated capital costs over three year period. A summary of capital project per the IDP will be made available on Council website.

### **SDBIP Cycle**

The SDBIP Process comprises the following stages, which forms part of a cycle.

#### **Planning:**

During this phase the SDBIP Process plan is developed to be tabled with the IDP Process plan. SDBIP related processes e.g. Management meetings, strategic Planning working session.

#### **Strategizing:**

During this phase the IDP is reviewed and subsequent SDBIP programmes and projects for the next 5 years based on local, provincial and national issues, previous year's performance and current economic and demographic trends etc.

#### **Tabling:**

The SDBIP is tabled with the draft IDP and budget before Council. Consultation with the community and stakeholders of the IDP on the SDBIP is done through budget hearings and formal local, provincial and national inputs or responses are also considered in developing the final document.

#### **Adoption:**

The Mayor approves the SDBIP no later than 28 days after the adoption of the Municipality's budget.

#### **Publishing:**

The adopted SDBIP is made public and is published on Council's website.

#### **Implementation, Monitoring and Reporting:**

SDBIP projects are implemented and quarterly reporting takes place. Mid-year reporting is done to assess performance on the SDBIP, the document is amended, where applicable and adopted by Council.

## 2.12. Municipal Manager's quality certificate

