

**2026/2027–
2028/2029 FINAL
ANNUAL BUDGET
AND MEDIUM -
TERM REVENUE
AND
EXPENDITURE
FRAMEWORK
(MTREF)**

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ABBREVIATIONS, ACRONYMS AND DEFINITIONS

COGTA – Department of Co-operative Governance and Traditional Affairs

CPI – Consumer Price Index

DORA – Division of Revenue Act

EPWP – Expanded Public Works Programmes

GDP - Gross Domestic Product

GRAP – Generally Recognised Accounting Practices

IDP – Integrated Development Plan.

INEPG – Integrated National Electrification Program Grant

MFMA – Municipal Finance Management Act, 56 of 2003

MIG – Municipal Infrastructure Grant

MPRA – Municipal Property Rates Act, 06 of 2004

MSA – Municipal Systems Act, 32 of 2000

MDTG – Municipal Demarcation Transition Grant

MTREF – Medium-term Revenue and Expenditure Framework

WSIG – Water Services Infrastructure Grant

MWIG – Municipal Water Infrastructure Grant

NDPG – Neighbourhood Development Program Grant

NERSA – National Electricity Regulator of South Africa

NT – National Treasury

PT – Provincial Treasury

PTISG – Public Transport Infrastructure Systems Grant

SDBIP – Service Delivery and Budget Implementation Plan

The Act – Refers to the Municipal Finance Management Act, 56 of 2003

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

Equitable Share – A general grant paid to municipalities.

Operational Expenditure – Spending on the day to day expenses of the City such as general expenses, salaries and wages, and repairs and maintenance.

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

Allocations – Money received from Provincial and National Treasury.

Budget – The financial plan of the City for a specific period.

Capital Expenditure – Spending on municipal assets such as property, plant and equipment's. Any capital expenditure must be reflected as an asset on a City's balance sheet.

PART 1 FINAL ANNUAL BUDGET

1.1 MAYOR'S REPORT

The executive Mayor tabled the final 2026/2027 annual budget report at a council meeting held on 29 May 2026. The final 2026/2027 annual budget was tabled after extensive consultation process which took place from 15 April to 15 March 2026. This public consultative process was concluded with National Treasury Benchmarking engagement exercise which dealt with budget funding assessment in terms of section 18 of the Municipal Finance Management Act No 56 of 2003.

1.2 COUNCIL RESOLUTIONS

On 29 May 2026, under item A(3), the council of City of Mbombela met at the council chambers to approve the 2026/2027– 2028/2029 final annual budget and medium-term revenue and expenditure framework report tabled by the executive Mayor and resolved that;

- (a) Council take note of the content of the report
- (b) the 2026/2027 to 2028/2029 medium term final budget summary, as per the table below, be approved:

2026/2027 TO 2028/2029 FINAL MEDIUM TERM REVENUE AND EXPENDITURE BUDGET				
DE DESCRIPTION	2026/2027 FINAL BUDGET	2027/2028 FORECAST ESTIMATES	2028/2029 FORECAST ESTIMATES	MTREF BUDGET ESTIMATES
OPERATING REVENUE	R 5 112 179 827	R 5 431 317 773	R 5 773 479 682	R 16 316 977 282
CAPITAL GRANTS REVENUE	R 469 052 000	R 523 422 000	R 508 790 000	R 1 501 264 000
TOTAL REVENUE	R 5 581 231 827	R 5 954 739 773	R 6 282 269 682	R 17 818 241 282
OPERATING EXPENDITURE	R 4 635 649 403	R 4 837 968 128	R 4 990 330 282	R 14 463 947 813
TOTAL OPERATING SURPLUS	R 476 530 424	R 593 349 645	R 783 149 400	R 1 853 029 469
GRANTS AND SUBSIDIES	R 469 052 000	R 523 422 000	R 508 790 000	R 1 501 264 000
INTERNAL FUNDING	R 252 500 000	R 169 315 000	R 147 700 000	R 569 515 000
CAPITAL EXPENDITURE	R 721 552 000	R 692 737 000	R 656 490 000	R 2 070 779 000
TOTAL EXPENDITURE	R 5 357 201 403	R 5 530 705 128	R 5 646 820 282	R 16 534 726 813

- (c) the 2026/2027 to 2028/2029 final detailed capital budget, as per annexure 44/2026, be approved;
- (d) the final 2026/2027 to 2028/2029 tariff charges for property rates, service charges and sundry income, as reflected in the table below be approved:

Description	2024/2025 Actual Outcome	2025/2026 Approved Estimates	2026/2027 Final Estimates	2027/2028 Final Forecast	2028/2029 Final Forecast
Electricity	12.72%	12.72%	10.30%	8.00%	8.00%
Water	6.00%	6.00%	6.00%	6.00%	6.00%
Sewer	6.00%	6.00%	6.00%	6.00%	6.00%
Refuse Removal	6.00%	6.00%	6.00%	6.00%	6.00%
Property Rates	6.00%	6.00%	6.00%	6.00%	6.00%
Sundry Charges tariffs	10.00%	10.00%	10.00%	10.00%	10.00%
Sembcorp/Silulumanzi Water and Sewerage			9.90%	10.00%	10.00%

(e) the grants and subsidy allocations for the 2026/2027 to 2028/2029 financial years, as per the table below, be approved:

2026/2027 TO 2028/2029 GRANTS ALLOCATION STATEMENT FOR THE CITY OF MBOMBELA MUNICIPALITY				
DESCRIPTION	2026/2027 APPROVED ALLOCATION	2027/2028 BUDGET FORECAST	2028/2029 BUDGET FORECAST	MTREF BUDGET ALLOCATION
OPERATIONAL GRANTS				
FINANCIAL MANAGEMENT GRANT	R 2 600 000	R 2 700 000	R 2 800 000	R 8 100 000
EQUITABLE SHARE	R 1 233 444 000	R 1 287 910 000	R 1 322 907 000	R 3 844 261 000
MUNICIPAL DISASTER RECOVERY GRANT	R -	R -	R -	R -
ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT	R 4 000 000	R -	R -	R 4 000 000
EXPANDED PUBLIC WORKS PROGRAMME INCENTIVE	R 5 254 000	R -	R -	R 5 254 000
SUB-TOTAL OPERATIONAL GRANTS	R 1 245 298 000	R 1 290 610 000	R 1 325 707 000	R 3 861 615 000
CAPITAL GRANTS				
MUNICIPAL INFRASTRUCTURE GRANT	R 411 878 000	R 460 072 000	R 475 387 000	R 1 347 337 000
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME	R 22 824 000	R 29 000 000	R 33 403 000	R 85 227 000
NEIGHBOURHOOD DEVELOPMENT PARTNESHIP GRANT	R 34 350 000	R 34 350 000	R -	R 68 700 000
SUB-TOTAL CAPITAL GRANTS	R 469 052 000	R 523 422 000	R 508 790 000	R 1 501 264 000
TOTAL GRANTS ALLOCATION	R 1 714 350 000	R 1 814 032 000	R 1 834 497 000	R 5 362 879 000

(f) the schedules (A1 – A10) used to prepare the 2026/2027 to 2028/2029 final budget, as per annexure 45/2026, be approved

1.3 EXECUTIVE SUMMARY

South Africa demonstrated remarkable economic resilience in the face of global turbulence in 2025, successfully maintaining macroeconomic stability and keeping inflation under control. Even so, the country still faces relatively slow economic growth, high public debt, and significant unemployment, especially among young people. There are also concerns about the reliability of key infrastructure—electricity, water and sanitation.

Despite the challenging global environment, South Africa's growth picked up in 2025, inflation and interest rates fell, government bond yields narrowed, and both the stock market and Rand strengthened. This strong performance reflects the country's sound institutions, flexible exchange rate, abundant natural resources, and credible monetary policy framework. A significant development was the adoption of a lower, 3 percent inflation target, which bolstered the credibility of policy actions. Furthermore, South Africa's removal from the Financial Action Task Force (FATF) gray list and a credit rating increase from S&P Global boosted investor confidence.

To sustain and build on this resilience, the authorities should continue to implement prudent policies to maintain low and stable inflation, preserve financial stability, and secure fiscal sustainability, while advancing structural reforms that support inclusive, job-rich growth.

The new 3 percent inflation target marks an important policy milestone, aimed at strengthening South Africa's economic framework and ensuring macroeconomic stability. Low inflation can help boost real incomes and purchasing power, with low-income households benefiting the most. It also helps relieve pressures on the Rand and lowers borrowing costs for individuals, businesses, and the government, ultimately encouraging investment, growth, and fiscal sustainability. Since the new target was announced—and thanks to the central bank's strong credibility—inflation has stayed around 3 percent and inflation expectations have declined steadily. This has enabled the central bank to reduce policy rates, boosted investor confidence, and helped drive down government bond yields, lowering borrowing costs for the government.

South Africa's economic expansion is set to gain traction in 2026, with the SARB forecasting 1.4% growth – a step up from this year's estimated 1.2%. The foundations for this acceleration are becoming clearer: more reliable electricity availability and enhanced logistics infrastructure are enabling businesses to scale production with greater confidence.

Unemployment remains stubbornly high and escalating according to the latest unemployment statistics released by Statistics South Africa which shows unemployment rate of 31.4 percent as at end of December 2025 with approximately 12.5 million working age adults wanting to work but unable to find employment. The consequence of slow economic growth and deterioration of the labour market (increase in unemployment rate) will be felt by municipalities

in terms of expectation on revenue growth and cash flows, and therefore a conservative approach will need to be adopted when projections are made for expected revenues cash receipts in the next medium-term.

The National Energy Regulator of South Africa (NERSA) announced that the Energy Regulator, at its meeting held on 05 March 2026, considered and approved the Eskom Retail Tariffs and Structured Adjustment application, at an average tariff increase of 9.01 percent for municipalities. This therefore means that for the 2026/2027 financial year, the electricity bulk purchase expenditure will increase by 9.01 percent and the City has already put an application of 10 percent to increase electricity tariff to its customers.

The increase in tariffs and fees for property rates and services charge should be carefully considered so that equitability and affordability is maintained due to the prevalence of unfavourable economic and labour market situation. Otherwise there shall be deterioration of collection rates resulting in an increase in bad and doubtful debt followed by rise outstanding creditors and unauthorised expenditure.

The current economic situation requires careful analysis and evaluation of the current spending patterns so that the allocation of funds in the next medium-term is in line with the key municipal priorities and non-priority spending is eliminated.

Furthermore, from a micro or internal environment perspective, the situation in the municipality requires intervention in the following areas as highlighted during the 2025/2026 adjustments budget and these challenges need to be further addressed in the 2026/2027 – 2028/2029 budget and medium-term revenue and expenditure framework. The improvement in revenue performance during the 2025/2026 mid-year adjustment is further supported by ongoing interventions being driven by the Revenue Enhancement Committee aimed at strengthening the revenue base, improving billing accuracy, and enhancing collection levels. Key initiatives currently underway include:

- (a) **Finalization and implementation of the Body Corporate Management Strategy:** A Memorandum of Understanding has been concluded with the largest electricity reseller operating in urban areas, enabling improved oversight, enforcement of credit control measures, and more effective debt recovery in developments where electricity is supplied through third-party arrangements. This will go a long way in improving collection within these areas where electricity is supplied by body corporates where before this intervention it was very difficult to enforce credit control and debt collection and collect property rates and refuse removal revenue.
- (b) **Conversion of residential electricity customers to prepaid metering:** This initiative will ensure that electricity is paid for prior to consumption, reduce the accumulation of arrears, and support the effective enforcement of the Credit Control and Debt Collection By-law. An amount of R95 million has been approved for the installation of

smart meters and the city will target all the conventional meters and convert them to prepaid smart meters and this intervention will address some of the challenges of using conventional meters which contribute massively to outstanding debtors that end impaired and eventually written off. This project will be implemented through the RT29 transversal tender process concluded with National Treasury. This initiative will go a long way in achieving the long term goal of addressing electricity losses.

(c) Strengthening institutional capacity within the Revenue Management Division:

Urgent efforts are underway to capacitate critical functions, particularly the sundry income, billing, and debt collection units, to enable real-time processing of transactions, improved customer account management, and timely resolution of revenue-related matters. The city has moved swiftly in prioritizing this critical position for permanent appointment and such intervention will continue to add value to the revenue management value-chain which will ultimately improve collection as well liquidity position of the city.

(d) Review of contracts with appointed debt collection agencies: The review seeks to enhance their mandate to pursue legal processes where recovery prospects are strong, while reducing the debt hand-over period from 180 days to 90 days to ensure earlier intervention and improve recovery outcomes. This intervention will help to ensure that outstanding debts are pursued early while it is probable and possible to collect the debt. The power given to debt collectors to recover these debts such as litigation has been tightened and will help to improve collection from potential debtors who reside in areas where electricity supply is done by Eskom including farms and townships.

(e) Intensified implementation of the meter audit programme: This programme is critical in identifying tampered, faulty, or non-functional meters and facilitating their replacement, thereby improving billing integrity and protecting the City's revenue streams. This programme is an ongoing process and the target is currently within the areas where we can easily recover such as the urban and business customers and positive results are beginning to emerge contributing to improved revenue collection and efficiency.

(f) Finalizing the Lease Register – The city has embarked on the process of developing a lease register to record all leases of municipal property to the public and raise revenue out of that project. It is very critical all properties utilised by the general public be properly leased out and included in the lease register for accurate billing and financial reporting purpose.

(g) Review the credit control and debt collection policy – The city will in 2026/2027 financial approve the amendment of the credit control and debt collection policy to cater for the collection of historical debt in terms of section 118(3) of the Municipal Systems

Act. This will help to ensure that all outstanding debts (both 24 months and historical) is recovered before the proceeds from the sale of a property is transferred to the owner and other creditors. This is aligned to constitutional court judgement between Jordan and Others vs the City of Tshwane Metropolitan Municipality which declared that upon transfer of a property, a new owner is not liable for debts arising before transfer from the charge upon the property under section 118(3) of the Municipal Systems Act 32 of 2000.

1.3.1 NATIONAL PRIORITIES

The key priorities in the local government are the provision of basic services such as water and sanitation, electricity supply, waste and environmental management, financial viability, human settlements development and local economic development.

In addition to the above, creating decent employment opportunities remains a national priority and the municipality need to continue to explore opportunities to mainstream labour intensive approaches to delivering services, and more particularly to participate fully in the Expanded Public Works Programme.

The municipal developmental priorities as tabulated in below are in line with the national and provincial priorities in indicated in the above paragraph;

- (a) Water supply and Sanitation
- (b) Road infrastructure development and storm water;
- (c) Electricity supply and management;
- (d) Local Economic Development and Tourism
- (e) Waste and Environmental Management
- (f) Sports, Arts and Culture
- (g) Financial Management and Viability
- (h) Integrated Human Settlement
- (i) Community Development and Public Safety
- (j) Good Governance and Public Participation
- (k) Public transport;

1.3.2 MACROECONOMIC OUTLOOK

The global economy is projected to grow by 3.3 percent in 2026, broadly in line with last year's outcome. Advanced economies are expected to grow moderately, while emerging markets will continue to anchor global momentum. These developments are unfolding within an unprecedented global trade environment characterised by persistent geopolitical tensions and shifting trade policies which are reshaping supply chain processes.

On the domestic front, economic growth outlook is steadily improving. Real economic growth is projected to grow by 1.6 in 2026, which will be an improvement from the 1.4 percent in 2025. Over the medium term, economic growth is expected to grow by 1.8 percent in 2027 and 2 percent in 2028. In light of this, rapid inclusive growth remains our only durable path forward. Economic growth forecast for the medium term period is tabulated on the table below:

Description	2024 Actual	2025 Actual	2026 Forecast	2027 Forecast	2028 Forecast
Real GDP Growth	1.2%	1.4%	1.6%	1.8%	2%

The consumer price inflation is expected to stay within the 3 to 6 per cent inflation target band over the medium term period. The forecasted headline inflation for medium-term will be as follows;

Description	2024 Actual	2025 Actual	2026 Forecast	2027 Forecast	2027 Forecast
CPI Inflation	5.9%	4.4%	3.7%	3.3%	3.2%

1.3.3 REVENUE ENHANCEMENT ASSUMPTIONS

(a) Grants and Subsidies allocations

The total grants allocated to the city in terms of the 2026 Division of Revenue Bill (DORA) amounted to R5 363 billion over the medium-term, and the total allocation for 2026/2027 budget year is R1 714 billion. For the 2026/2027 financial operational grant allocation amounted to R1 245 billion while capital grants allocation amounted to R469 million.

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MUNICIPAL DISASTER RECOVERY GRANT	R -	R -	R -	R -
ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT	R 4 000 000	R -	R -	R 4 000 000
EXPANDED PUBLIC WORKS PROGRAMME INCENTIVE	R 5 254 000	R -	R -	R 5 254 000
SUB-TOTAL OPERATIONAL GRANTS	R 1 245 298 000	R 1 290 610 000	R 1 325 707 000	R 3 861 615 000
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MUNICIPAL INFRASTRUCTURE GRANT	R 411 878 000	R 460 072 000	R 475 387 000	R 1 347 337 000
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME	R 22 824 000	R 29 000 000	R 33 403 000	R 85 227 000
NEIGHBOURHOOD DEVELOPMENT PARTNESHIP GRANT	R 34 350 000	R 34 350 000	R -	R 68 700 000
SUB-TOTAL CAPITAL GRANTS	R 469 052 000	R 523 422 000	R 508 790 000	R 1 501 264 000
TOTAL GRANTS ALLOCATION	R 1 714 350 000	R 1 814 032 000	R 1 834 497 000	R 5 362 879 000

(a) Revising of rates, tariffs and other charges

When the municipality revise its rates, tariffs and other charges for the 2026/2027 budgets and Medium Term Revenue and Expenditure Framework, it need to take into account the labour (i.e. the wage agreements with unions) and other input costs of services provided by the municipality, the need to ensure financial sustainability, local economic conditions and the affordability of services, taking into consideration the city's approved indigent policy.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges at levels that reflect an appropriate balance between the interests of poor households, other customers and ensuring the financial sustainability of the city.

To ensure the city continue to efficiently and effectively deliver services, eradicate backlogs in term of services and social infrastructure, maintain, upgrade and renewal of the existing infrastructure as well as ensuring financial stability and long-term sustainability, the increase of rates, tariffs and other charges over the medium-term is proposed to be as follows;

Description	2024/2025 Actual Outcome	2025/2026 Approved Estimates	2026//2027 Final Estimates	2027/2028 Final Forecast	2028/2029 Final Forecast
Electricity	12.72%	12.72%	10.30%	8.00%	8.00%
Water	6.00%	6.00%	6.00%	6.00%	6.00%
Sewer	6.00%	6.00%	6.00%	6.00%	6.00%
Refuse Removal	6.00%	6.00%	6.00%	6.00%	6.00%
Property Rates	6.00%	6.00%	6.00%	6.00%	6.00%
Sundry Charges tariffs	10.00%	10.00%	10.00%	10.00%	10.00%
Semcorp/Silulumanzi Water and Sewerage			9.90%	10.00%	10.00%

(i) Property rates and service charges

The average increase on rates and service charge tariffs for 2026/2027 will be 6.00% and 6.00% over the medium-term. This increases is largely informed by the current economic conditions and it's within the inflation target range of 3 to 6 percent. This in line with the National Treasury guideline for maximum increase a municipality can charge for rates and

services charges. For purposes of long financial sustainability the city must apply this increase for the medium term period.

(ii) Electricity tariff increase

The Eskom price of bulk electricity supplied to municipalities will increase by 9.01% per cent on 1 July 2026. The municipality need to examine the cost structure of their electricity undertakings and apply to NERSA for electricity tariff increases that are cost reflective and ensure continued financial sustainability. The City has compiled a cost of supply study to apply for 10.3% increase from NERSA to recover the cost of rendering this service in a sustainable and reliable manner. NERSA has accordingly approved the application budget raised concerns around the high distribution losses the city continue to incur for both water and electricity. National Treasury has approved R95 million for the smart meter grant which will help to roll-out smart meter solutions which will help reduce distribution losses incurred due to non-technical losses.

(ii) Sundry Charges

Sundry charges will be kept at 10 percent as the previous years and this is informed by the conservative approach applied by the city when determining the tariff.

(iii) Solid waste tariffs

Tariff increase on refuse removal will be kept at 6 percent for the medium period. This is due to a number of factors such as affordability, equitability and accessibility of the services by all citizens.

The municipality should aim to have appropriately structured, cost-reflective solid waste tariffs in place as prescribed in MFMA Circular 58. The tariffs for solid waste management must take into account that it is good practice to maintain a cash-backed reserve to cover the future costs of rehabilitating landfill sites.

The current tool used to determine the tariffs shows that the city is currently charging lower tariffs for both water and refuse removal. However, a once-off increase to align to the cost reflective tariff will not meet the basic and fundamental criteria of affordability, equitability and accessibility. It is therefore critical that increases must be applied on a phase in approach basis over the years until a level where cost recovery is reached.

(iv) The ability of municipality to collect revenue

The payment level trend for the past three years and the forecast for the next mid-term, including current financial year estimate is as follows;

2026/2027 To 2028/2029 FINAL MEDIUM TERM REVENUE COLLECTION RATE							
Description	Actual 2023/2024	Actual 2023/2024	Actual 2024/2025	Approved 2025/2026	Final 2026/2027	Final 2027/2028	Final 2028/2029
Payment Levels	90%	88%	92%	96%	92%	94%	95%

The set target for collection of revenue over the medium-term on current account for rates and services charge is as outlined on the table above and the collection on outstanding debt is an average of 12% per annum or 1% per month. The Revenue Enhancement Committee will be focusing on these matters of outstanding debtors from top debtors through continuous engagement with customers, intensifying the enforcement of credit control and debt collection policy and by-laws.

OPERATING EXPENDITURE GUIDELINES AND ASSUMPTIONS

Below is the basic operating expenditure assumptions used to compile the final operating expenditure budget.

DESCRIPTION	% ASSUMPTIONS
Salaries, Wages And Allowances	• 4% general increase during 2026/2027 (Average CPI percentage for the period 1 February 2025 until 31 January 2026 plus 0.75%) • For 2026/2027 general increase will be average CPI percentage for the period 1 February 2025 until 31 January 2026 plus 0.75%. • For 2027/2028 general increase will be average CPI percentage for period 1 February 2026 until January 2027 plus 1.25%. • The above increases are in line with the Wage Collective agreement for 2025 – 2028.
Bulk Purchase - Electricity	NERSA has given Eskom increase of 9.01 % for 2026/2027 financial year.
General Expenditure	Will be reduced by 5% over the medium-term period
Contracted services	Will be decreased by 10% over the medium-term period.
Other Materials	Other materials will decrease by 10% over the medium-term period
Provision for doubtful debts	8% Provision for doubtful debts on rates and services charge in line with the projected payment level.

CAPITAL EXPENDITURE OVER THE MEDIUM-TERM

The funding of the capital expenditure will be sourced from conditional grants allocation and internal funding. The availability of the internal reserves will largely depend on the collection of outstanding debts and collection on the current account over the medium-term.

It is very critical that the city must budget for an operating surplus to be able to fund the capital budget. The summary below reflect the capital budget per funding source over the medium term

Allocation on the capital budget will focus on the projects;

- (a) Basic service delivery such as water, sanitation, electricity, roads and waste management.
- (b) Complete projects that are currently running and will be finished before the end of the financial year.
- (c) Renewal, upgrading and refurbishment of capital infrastructure.
- (d) Addressing infrastructure damages caused by the recent disasters.

Total capital budget for 2026/2027 financial amounted to R722 million while for the 2027/2028 and 2028/2029 forecasted allocation amounted to R693 million and R656 million respectively. The bigger portion of the capital funding comes from conditional grants and only R253 million comes from internal funding. The internal funded capital funding will come from the operating surplus generated from the operating budget. The city is projecting an operating surplus of R561 million and a portion of this amount will fund the internal projects.

2026/2027 - 2028/2029 CAPITAL FINAL BUDGET FOR THE CITY OF MBOMBELA MUNICIPALITY			
DESCRIPTION	2026/2027 FINAL BUDGET	2027/2028 FORECAST ESTIMATES	2028/2029 FORECAST ESTIMATES
GRANT - MUNICIPAL INFRASTRUCTURE	R 411 878 000	R 460 072 000	R 475 387 000
GRANT - NEIGHBOURHOOD DEVELOPMENT AND PARTNERSHIP	R 34 350 000	R 34 350 000	R -
GRANT - INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME	R 22 824 000	R 29 000 000	R 33 403 000
INTERNAL FUNDING	R 252 500 000	R 169 315 000	R 147 700 000
TOTAL CAPITAL BUDGET	R 721 552 000	R 692 737 000	R 656 490 000

PROVISION OF FREE BASIC SERVICES

The Indigent Policy of the city as approved by Council is in line with the National Policy Provision of Free Basic Services with its objective of providing free access to basic service to the poor and enhancing the fight against poverty. The free basic services is funded from the equitable share allocation received from National Treasury.

The following assumptions were also taken into consideration towards the provision of free basic services;

Reducing the impact of poverty through free basic service provision.
Protecting the poor from the harsh economic realities.

The City will be offering the following free basic services

Free Basic Water	6kl per month
Free Basic Electricity	50kW per month
Free Basic refuse removal	100 % subsidy on tariff
Rebate on property rates	Rebates ranging from 25% to 100% and first R125 000.00 market value being 100% exempted from rates.
Free Basic Sewer	6kl per month

RENEWAL, REPAIRS AND MAINTENANCE OF EXISTING ASSETS

The allocation of funds in the budget for renewal of existing assets should not be less than 40 per cent of the capital expenditure budget in order to secure the ongoing health of the municipality's infrastructure supported by reference to its asset management plan.

The allocation of funds for repairs and maintenance on the operating expenditure budget should not be less than 8 per cent of the value of assets as recorded in the asset register. Effective municipal asset management is not just a responsibility; it is an opportunity. By implementing comprehensive lifecycle strategies, prioritizing maintenance, and adhering to standards, the city can ensure the longevity, reliability, and optimal performance of its assets. This is not just about infrastructure; it is about sustaining communities, supporting economic growth, and safeguarding investments. The city continues to work hard in trying to achieve this target since its critical in ensuring the safety and protection of service delivery infrastructure.

ELIMINATION OF NON-PRIORITY SPENDING

Measures should be put in place to control unnecessary spending on nice to have items and non-essential activities

The following examples of non-priority expenditure need to be eliminated:

- (a) Excessive sponsorship of music festivals, beauty pageants and sporting events, including the purchase of tickets to events for councillors and/or officials;
- (b) Excessive catering for meetings and other events, including the use of public funds to buy alcoholic beverages;
- (c) Arranging workshops and events at expensive private venues, especially ones outside the municipality (as opposed to using the municipality's own venues);
- (d) Excessive printing costs (instead of maximising the use of the municipality's website, including providing facilities for the public to access the website);
- (e) Excessive luxurious office accommodation and office furnishings;

- (f) Excessive councillor and staff perks such as luxurious cars and houses, notebooks, IPADS and cell-phone allowances; travel and subsistence allowances. Municipalities are reminded that in terms of section 7 (1) of the Remuneration of Public Office-bearers Act, 1998 (Act No.20 of 1998) the Minister for Cooperative Governance and Traditional Affairs must determine the limit of salaries and allowances of the different members of municipal councils and any budget provision may not be outside this framework;
- (g) Excessive staff in the office of full-time councillors – particularly the appointment of political ‘advisors’ and ‘spokespersons’;
- (h) All donations to individuals that are not made in terms of the municipality’s indigent policy or a bursary scheme; for instance donations to cover funeral costs (other than pauper burials which is a district municipality function);
- (i) The use of consultants to perform routine management asks, and the payment of excessive fees to consultants.

KEY FINANCIAL STRATEGIES TO TURNAROUND FINANCIAL SITUATION

The key strategies as adopted by council are as follows;

- (a) Revenue enhancement strategy – It entails implementation of mechanisms that will address and perfect the bottlenecks and weaknesses on the revenue management value chain in order to enhance revenue collection.
- (b) Cash management model – It entails implementation of a model that will manage cashflow to narrow or completely close cashflow gaps most often created by lagging behind of cash inflows from outflows.
- (c) Cost management strategy – It entails implementation of processes and systems to identify, allocate, control and manage key cost drivers linked to primary activities (water, sanitation, electricity, waste management, roads and stormwater, and parks and recreational facilities). And ensure all tariffs and fees for services charge (water, sanitation, electricity and waste management) are cost-reflective.
- (d) Borrowing Strategy – It entails implementation of capital programme funding mix and leveraging of the funding of capital expenditure from grants and internal generated reserves by sourcing funding from financiers such as commercial banks, development financing institutions etc. With the intention to ensure fast tracking of implementation of infrastructure development programmes as well as to ensure affordability of rates and tariff charges, and to achieve a financial sustainability over a long run.
- (e) Sourcing strategy - It gives effect to the implementation of the Supply Chain Management policy to ensure a fair and competitive procurement processes.

2026/2027 – 2028/2029 FINAL BUDGET AND MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK PROPOSAL

The application of the above priorities, guidelines and assumptions has resulted in the following final medium-term budget proposals;

SUMMARY OF THE FINAL MEDIUM TERM REVENUE AND EXPENDITURE BUDGET

The summary of the final medium-term revenue and expenditure budget is tabulated on the table below.

2026/2027 TO 2028/2029 FINAL MEDIUM TERM REVENUE AND EXPENDITURE BUDGET				
DESCRIPTION	2026/2027 FINAL BUDGET	2027/2028 FORECAST ESTIMATES	2028/2029 FORECAST ESTIMATES	MTREF BUDGET ESTIMATES
OPERATING REVENUE	R 5 112 179 827	R 5 431 317 773	R 5 773 479 682	R16 316 977 282
CAPITAL GRANTS REVENUE	R 469 052 000	R 523 422 000	R 508 790 000	R 1 501 264 000
TOTAL REVENUE	R 5 581 231 827	R 5 954 739 773	R 6 282 269 682	R17 818 241 282
OPERATING EXPENDITURE	R 4 635 649 403	R 4 837 968 128	R 4 990 330 282	R14 463 947 813
TOTAL OPERATING SURPLUS	R 476 530 424	R 593 349 645	R 783 149 400	R 1 853 029 469
GRANTS AND SUBSIDIES	R 469 052 000	R 523 422 000	R 508 790 000	R 1 501 264 000
INTERNAL FUNDING	R 252 500 000	R 169 315 000	R 147 700 000	R 569 515 000
CAPITAL EXPENDITURE	R 721 552 000	R 692 737 000	R 656 490 000	R 2 070 779 000
TOTAL EXPENDITURE	R 5 357 201 403	R 5 530 705 128	R 5 646 820 282	R16 534 726 813

For the 2026/2027 financial year, operating revenue budget projection amounted to R5,112 billion while capital conditional grant revenue amounted to R469 million. The medium-term total revenue budget amounted to R17,818 billion.

Total operating expenditure for 2026/2027 financial year amounted to R4,636 billion while the total medium term expenditure projection amounted to R14,464 billion.

Total operating surplus for 2026/2027 financial year amounted to R477 million, while the medium-term operating surplus amounted to R1, 853 billion.

Detailed final operating Revenue budget or the medium term is reflected on the table below:

2026/2027 FINAL OPERATIONAL REVENUE BUDGET FOR THE CITY OF MBOMBELA MUNICIPALITY										
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue										
Exchange Revenue										
Service charges - Electricity	2	1 280 693	1 443 472	1 628 893	1 886 167	1 996 167	1 996 167	2 093 033	2 260 475	2 441 314
Service charges - Water	2	120 776	129 367	124 338	127 078	127 078	127 078	133 025	141 006	149 467
Service charges - Waste Water Management	2	23 436	25 880	25 891	27 165	30 165	30 165	33 537	35 549	37 682
Service charges - Waste Management	2	150 703	156 199	166 004	175 911	180 911	180 911	193 118	204 705	216 987
Sale of Goods and Rendering of Services	2	10 104	11 363	12 794	16 424	26 424	26 424	35 261	38 787	42 666
Interest earned from Receivables	2	37 414	45 443	46 749	57 955	60 955	60 955	44 217	48 070	52 835
Interest earned from Current and Non Current Assets	2	9 080	9 590	12 072	11 447	16 447	16 447	15 488	17 537	19 791
Rental from Fixed Assets	2	25 283	23 575	29 089	6 415	31 415	31 415	33 533	34 886	36 375
Licence and permits	2	41	169	1 345	174	274	274	322	355	390
Development Charges	2	105 498	4 787	4 656	13 533	2 791	2 791	6 179	6 364	6 555
Operational Revenue	2	315 045	170 965	54 265	75 581	166 324	166 324	58 539	60 826	63 354
Non-Exchange Revenue										
Property rates	2	803 090	975 218	1 016 588	1 122 539	1 182 539	1 182 539	1 163 907	1 230 741	1 313 393
Fines, penalties and forfeits	2	3 999	6 915	3 775	4 367	14 367	14 367	16 987	18 685	20 554
Transfer and subsidies - Operational	2	963 947	1 068 002	1 134 830	1 212 731	1 212 731	1 212 731	1 245 298	1 290 610	1 325 707
Interest	2	-	39 936	44 988	40 574	43 574	43 574	39 736	42 721	46 411
Other Gains	2	34 447	2 394	9 184	-	319 067	319 067	-	-	-
Total Revenue (excluding capital transfers and contri		3 883 557	4 113 274	4 315 460	4 778 061	5 411 228	5 411 228	5 112 180	5 431 318	5 773 480

The main operating sources of revenue for the city is further analysed below;

- (a) Service charge electricity budget amounted to R2,093 billion for 2026/2027 financial year. This reflects an increase of 10.30 percent tariff increase applied for from NERSA. This increase is caused by the increase of 9,01 percent approved by NERSA for Eskom for the 2026/2027 financial year. The real increase for electricity tariffs after taking into account the Eskom Bulk purchase increase approved by NERSA amount to 1 percent as the city seriously considered economic and social wellbeing of communities. The meter audit programmes currently implemented by the city will also assist to identify the faulty, tampered and malfunctioning meters and fix it to improve revenue collection for electricity.
- (b) Service charge Water revenue projected budget for 2026/2027 financial year amounted to R133 million. This projection is based on actual achieved during the 2025/2026 mid-year period plus a tariff increase of 6 percent. Again, this a considerably tariff increase compared top the full cost reflective tariffs required in terms of guidelines. The city has considered a number of factors including affordability of many customers residing within the jurisdiction of the municipality.
- (c) Service Charge Waste Water revenue budget revenue amounted to R34 million for 2026/2027 financial year. The projected revenue is based on the actual past performance of the mid-year assessment outcome together with proposed tariff increase of 6 percent.

- (d) Service charge waste management projected budget revenue amounted to R193million for the 2026/2027 financial year. This is again based on the actual performance of the 2025/2026 assessment outcome plus the proposed tariff increase of 6 percent. The city is further project a growth of 0.3 percent emanating from new developments and additional areas to be formalized.
- (e) Sale of goods and services projected revenue for 2026/2027 amounted to R26 million. This projection is based on the mid-year performance which recorded an over-performance of over 90 percent as at end of December 2025. This overwhelming performance was due to the robust implementation of the revenue strategy championed by the Revenue Enhancement Committee. The intervention led to the overhaul review and update of the billboard register used to bill and raise revenue for outdoor advertisement purposes.
- (f) Interest earned from exchange receivables projected revenue for 2026/2027 amounted to R44 million. The credit control and debt collection policy allows council to charge interest on all accounts not paid by the 7th of each and every month. The city provides an incentive of 1.5 percent to all customers who manage to pay their accounts before the 1st of each and every month to appreciate them but also improve revenue collection for the city.
- (g) Interest earned from current and non-current assets projected revenue for 2026/22027 amounted to R15 million. This is revenue raised from all grants received by the city which is kept in call account for a short-term investment to generate interest while processes to spent are still under-way. This is aligned to best practice and MFMA circulars which advice municipalities to raise addition revenue while other processes are under-way to spend the grants in terms of the Division of Revenue Act.
- (h) Rental from fixed assets projected revenue for 2026/2027 amounted to R34 million. This is revenue raised from all council rental facilities such, stadiums, community halls and other recreational facilities. The city has just finalised, reviewed and updated the leased register which will assist to raise revenue from leasing of council properties. This and other measures will be monitored very closely by the leasing committee established by the city manager to oversee the implementation of the lease register.
- (i) Operational revenue projected revenue for 2026/2027 amounted to R59 million. This is revenue raised from other income sources such bad debt recovered, bursary refunds, building plans and others. Council through the revenue enhancement committee has done some amendments to the enforcement of the credit control and debt collection policy to go beyond soft listing to issuing summons, litigation and attaching assets of those customers who can afford but not will to pay.
- (j) Property rates projected revenue for 2026/2027 amounted to R1,164 billion. This is in line with the mid-year assessment outcome as well as projected growth of 0.3 percent and projected tariff increase of 6 percent. This projected growth will emanate from new developments to be included in the valuation roll as new areas to be formalized inline with strategic plans of the city. The city has already identified areas to be formalized and an amount of R10 million has already been made available to address these issues in 2026/2027 financial year.
- (k) Fines and penalties projected revenue for 2026/2027 amounted to R17 million. The mid-year actual performance on this line item alone was sitting to R8 million. This overwhelming

performance was due to the robust implementation of meter audit programmes for both water and electricity, coupled with the revenue enhancement strategy. The effectiveness of the revenue enhancement committee continues to address some of the revenue leakages found within the high consuming customers for both water and electricity.

- (l) Transfers and subsidies revenue for 2026/2027 amounted to R1,245 billion. This constitutes operational grants for equitable share, energy efficiency demand side grant, expanded public works incentive grant and local government financial management grant. The allocations are in line with the division of revenue act and appropriation approve by parliament in March 2026.
- (m) Interest from non-exchange transaction revenue for 2026/2027 amounted to R38 million. This is interest charged to all accounts not paid by the 7th of every month and in terms of the credit control and debt policy such accounts must be subjected to interest charges. All customers who pays their accounts before the 1st of every month will receive a incentive of 1.5 percent of the bill and this is an appreciation to the good paying customers and its good for revenue collection.

FINAL OPERATING EXPENDITURE BUDGET ANALYSIS

The detailed final operating expenditure budget for 2026/2027 – 2028/2029 budget and medium-term revenue and expenditure framework is as follows;

2026/2027 FINAL OPERATING EXPENDITURE BUDGET FOR THE CITY OF MBOMBELA MUNICIPALITY										
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Expenditure										
Employee related costs	2	1 256 139	1 328 890	1 392 261	1 291 089	1 291 089	1 291 089	1 367 951	1 422 669	1 479 576
Remuneration of councillors	2	62 782	62 592	65 918	64 660	64 660	64 660	67 895	69 932	72 030
Bulk purchases - electricity	2	1 110 557	1 323 437	1 537 836	1 380 692	1 380 692	1 380 692	1 526 395	1 679 034	1 846 938
Inventory consumed	2,8	91 032	123 123	129 103	124 771	122 892	122 892	116 193	112 294	101 065
Debt impairment	2,3	320 707	63 395	198 923	309 758	309 758	309 758	298 218	239 468	214 290
Depreciation, amortisation and impairment	2	557 352	564 885	361 667	757 582	663 068	663 068	699 869	815 468	816 059
Interest, Dividends and Rent on Land	2	168 682	149 442	174 201	81 008	18 087	18 087	37 230	38 719	40 268
Contracted services	2	603 305	730 768	709 613	426 176	928 704	928 704	383 558	345 202	310 682
Transfers and subsidies	2	47 272	46 730	48 751	24 374	30 116	30 116	46 314	23 155	21 997
Irrecoverable debts written off	2	38 815	136 546	69 501	-	-	-	-	-	-
Operational costs	2	288 902	309 332	371 776	96 869	107 915	107 915	92 026	92 026	87 425
Disposal of Fixed and Intangible Assets	2	5 890	14 041	3 337	-	-	-	-	-	-
Other Losses	2	-	-	343	-	-	-	-	-	-
Total Expenditure		4 551 435	4 853 181	5 063 230	4 556 981	4 916 981	4 916 981	4 635 649	4 837 968	4 990 330

- (a) The employees related cost projected budget for 2026/2027 amounted to R1,368 billion. This is based on the 4 percent increase in terms of salary and wage collective agreement as well as funding other critical positions to be filled during the year. In respect of this financial year 2026/2027 with effect from 1 July 2026 an increase base

on the average CPI for period 1 February 2025 until 31 January 2026 plus 0.75 percent will be applied. The city has received approval COGTA to review and increase departments from eight to ten. This change however, does not have financial implications because is only about splitting some of the departments and combining others.

- (b) Remuneration for councilors projected expenditure amounted to R68 million for 2026/2027 financial year. This is in line with Government Gazette on the Remuneration of Public Office Bearers Act.
- (c) Bulk purchase projected expenditure for 2026/2027 financial year amounted to R1,526 billion. This is based on the 9.01 percent Eskom tariffs approved by NERSA to municipalities. This remains the biggest cost driver of the city's budget and continues to command the highest portion of the city's outstanding creditors balance.
- (d) Inventory consumed projected expenditure amounted to R116 million for the 2026/2027 financial year. The city has developed a sourcing strategy which helps to procure goods and services in cost effective manner and receive value for money for all inventory items procured. Inline with this strategy the city has now begun to procure bulk stores items directly from manufacturers at a lower price and save more money for the delivery of other services to the public.
- (e) Debt Impairment project budget for 2026/2027 financial year amounted to R298 million. This a non cash item informed by the projected collection rate of 92 percent. It is required in terms of MFMA Circular 71 that difference between 100 percent and collection rate must be budgeted for under operating expenditure. This is best practice and in line with and applicable standards.
- (f) Depreciation projected budget for 2026/2027 amounted to R700 million. This is in line with the Generally Recognized Accounting Standards and MFMA Circulars. It is a non cash item but must be used to determine tariffs and raise reserves for the replacement of assets currently used by the municipality is rendering services.
- (g) Interest charges projected expenditure budget amounted to R37 million for 2026/2027. This is in line with payment schedule as agreed upon between the city and Development Bank of Southern Africa.
- (h) Contracted services projected expenditure budget amounted to R384 million for 2026/2027. This will cater for all contracts and commitment currently in place. The city has introduced serious measures to insource some of the services such as building and operationalizing mechanical workshop, procuring of new fleet and plant such as TLB and water tankers. The city has further installed more than 500 cameras so as to reduce cost incurred by the city for security services. All these measures will help to

ensure to reduce contracted services and bring it to the norm of 5 percent as required by MFMA circular 71 and avail more resources to insource other services internally.

- (i) Transfers and subsidies projected expenditure budget amounted to R46 million and this planned for payment of silulumanzi for water and sanitation services within the concession areas. The city is currently in public private partnership with silulumanzi to supply water and sanitation to some areas within the jurisdiction.
- (j) Operational cost projected expenditure budget for 2026/2027 amounted to R92 million. This deals with the day-to-day operations of the city and it covers all other expenditures except what has been highlighted above. The LPU such as electricity for boreholes and street lights is currently the highest consumer of other expenditures. The city is trying to move street lighting to solar energy so as to try and reduce cost of other expenditures.

OPERATING PROJECTS CRITICAL FOR SERVICE DELIVERY

The city in the medium term will continue to implement the following critical operating project to fast track service delivery.

- (a) Regravelling of roads allocation amounted to R35 million – this will help to ensure proper maintenance of dirt roads around the city especially in areas where serious damages has occurred due to bad weather conditions.
- (b) Resealing of roads allocation amounted to R25 million – this will help to ensure that roads around the city center is properly maintained and service delivery improves.
- (c) Maintenance of water infrastructure allocation amounted to R40 million- The budget will help to ensure proper maintenance of water infrastructure in accordance with the maintenance plan.
- (d) Water tankers allocation amounted to R20 million – This will continue to ensure that water is supplied in remote areas where there is currently no reticulation infrastructure. The city already procured additional water tankers which will be delivered before the end of June 2025. This intervention will go a long way in reducing the cost of water tankers which contribute immensely to the high cost of contracted services.
- (e) Street lighting maintenance allocation amounted to R10 million – The budget will help to maintain all street lights that are dysfunctional and no longer working which perpetuate the rate of crime in our communities.
- (f) Grading of sports field allocation amounted to R2 million – the budget will help to ensure that sports field in townships and villages received proper maintenance for recreation and social purposes.

- (g) Maintenance of buildings and recreational facilities allocation amounted to R30 million- the budget will help to address maintenance issues in community halls and recreational facilities. This will address all maintenance of building and facilities within the jurisdiction of the city.
- (h) Maintenance of dumping site allocation amounted to R15 million – the budget will ensure that the municipal landfill site is properly maintained to comply with National Environmental and Waste Management Act.
- (i) Maintenance of traffic lights allocation amounted to R5 million – this budget will help to address the maintenance of traffic lights within the jurisdiction of the city. It is very critical that traffic lights remain functional to improve the flow of traffic and reduce accidents on the roads.
- (j) Local economic programmes allocation amounted to R15 million – This will help to implement the local economic development strategy approved by council. It will further help to revitalise township economy within the jurisdiction of the city.
- (k) Fleet maintenance allocation amounted to R10 million. The funds will help to ensure proper maintenance of fleet. The city is currently attending to the matter of operationalising the workshop which will help to address maintenance of fleet for the city.
- (l) Formalisation of informal settlement allocation amounted to R10 million. This is part of the revenue optimisation measures which on completion will increase the revenue base for the municipality.
- (m) Youth development programmes allocation amounted to R3 million – the funds will help to implement the youth development strategy and continue assist youth that is facing challenges of unemployment.
- (n) Disaster management programmes allocation amounted to R2 million. These funds will help to implement the disaster risk management plan approved by council and continue assisting vulnerable families affected by natural disasters.

FINAL CAPITAL BUDGET FOR THE MEDIUM TERM

The city's proposed final capital budget for the medium-term period is reflected on the table below:

2026/2027 - 2028/2029 CAPITAL FINAL BUDGET FOR THE CITY OF MBOMBELA MUNICIPALITY			
DESCRIPTION	2026/2027 FINAL BUDGET	2027/2028 FORECAST ESTIMATES	2028/2029 FORECAST ESTIMATES
GRANT - MUNICIPAL INFRASTRUCTURE	R 411 878 000	R 460 072 000	R 475 387 000
GRANT - NEIGHBOURHOOD DEVELOPMENT AND PARTNERSHIP	R 34 350 000	R 34 350 000	R -
GRANT - INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME	R 22 824 000	R 29 000 000	R 33 403 000
INTERNAL FUNDING	R 252 500 000	R 169 315 000	R 147 700 000
TOTAL CAPITAL BUDGET	R 721 552 000	R 692 737 000	R 656 490 000

Total final capital budget for 2026/2027 financial amounted to R722 million while for the 2027/2028 and 2028/2029 forecasted allocation amounted to R693 million and R656 million respectively. The bigger portion of the capital funding comes from conditional grants and only R253 million comes from internal funding. The internal funded capital funding will come from the operating surplus generated from the operating budget. The city is projecting an operating surplus of R477 million and a portion of this amount will fund the internal projects.

CASH FLOW BUDGET STATEMENT

The final cash flow projections for the medium term is tabulated on the table below. The city is currently experiencing cash flow challenges, however the constitutional obligation of delivering service to the public remain solid and will continue happening despite the challenges facing the city.

2026/2027 TO 2028/2029 FINAL CASH FLOW BUDGET STATEMENT FOR THE CITY OF MBOMBELA

DESCRIPTION	2024/2025 Audited Outcome	2025/2026 Approved Budget	2025/2026 Adjusted Budget	2026/2027 Budget Estimate	2027/2028 Budget Forecast	2028/2029 Budget Forecast
CASH FLOW FROM OPERATING ACTIVITIES						
Receipts						
Property rates	R 755 143 939	R 1 058 432 848	R 1 135 237 371	R 1 070 794 126	R 1 156 896 595	R 1 247 723 285
Service charges	R 1 735 215 653	R 2 069 590 691	R 2 240 948 085	R 2 256 495 094	R 2 483 231 312	R 2 703 176 619
Other revenue	R 60 265 698	R 526 548 599	R 589 420 118	R 75 208 075	R 82 066 426	R 88 322 229
Transfers and Subsidies - Operational	R 1 132 953 883	R 1 212 731 000	R 1 212 731 000	R 1 245 298 000	R 1 290 610 000	R 1 325 707 000
Transfers and Subsidies - Capital	R 460 653 113	R 466 984 000	R 476 366 010	R 469 052 000	R 523 422 000	R 508 790 000
Interest	R 49 085 670	R 11 447 306	R 16 447 306	R 15 488 347	R 17 537 182	R 19 790 900
	R -	R -		R -	R -	R -
Payments						
Suppliers and employees	-R 3 178 252 931	-R 4 395 112 084	-R 4 670 592 355	-R 4 279 212 390	-R 4 782 853 701	-R 5 148 387 576
Finance charges	-R 169 246 876	-R 49 906 980	-R 18 086 637	-R 37 229 847	-R 38 719 041	-R 40 267 802
Transfers and Grants	-R 48 751 336	-R 24 373 942	-R 29 910 942	-R 46 313 769	-R 23 155 245	-R 21 997 482
NET CASH FROM/(USED) OPERATING ACTIVITIES	R 797 066 813	R 876 341 438	R 952 559 956	R 769 579 636	R 709 035 528	R 682 857 173
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts						
Proceeds on disposal of PPE	R -	R -		R -	R -	R -
Insurance Refund - Capital	R -	R -	R -	R 11 524 158	R 11 929 993	R 12 502 224
Decrease (increase) in non-current receivables	R -	R -		R -	R -	R -
Decrease (increase) in non-current investments	R -			R -	R -	R -
Payments						
Capital assets	-R 776 911 073	-R 720 934 000	-R 799 815 637	-R 721 552 000	-R 692 737 000	-R 656 490 000
NET CASH FROM/(USED) INVESTING ACTIVITIES	-R 776 911 073	-R 720 934 000	-R 799 815 637	-R 710 027 842	-R 680 807 007	-R 643 987 776
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts						
Short term loans	R -	R -		R -	R -	R -
Borrowing long term/refinancing	-R 625 050	R -		R -	R -	R -
Increase (decrease) in consumer deposits	R -	R -		R -	R -	R -
Payments						
Repayment of borrowing	-R 16 867 559	-R 16 653 466	-R 16 653 466	-R 21 056 735	-R 23 491 469	-R 26 398 256
Net movement in non-current portion of trade and other payables	R -	R -		R -	R -	R -
Finance lease payments	R -	R -		R -	R -	R -
NET CASH FROM/(USED) FINANCING ACTIVITIES	-R 17 492 609	-R 16 653 466	-R 16 653 466	-R 21 056 735	-R 23 491 469	-R 26 398 256
NET INCREASE/ (DECREASE) IN CASH HELD	R 2 663 131	R 138 753 972	R 136 090 853	R 38 495 059	R 4 737 052	R 12 471 141
Cash/cash equivalents at the year begin:	R 140 091 133	R 140 091 133	R 142 754 264	R 142 754 264	R 181 249 323	R 185 986 375
Cash/cash equivalents at the year end:	R 142 754 264	R 278 845 105	R 278 845 117	R 181 249 323	R 185 986 375	R 198 457 516

1.3.7 Municipal Standard Chart of Accounts (MSCOA) implementation

In order to ensure the municipality complies with the MSCOA Regulations which requires municipalities and municipal entities to comply with since on 01 July 2017, the municipality is now in phase three (3) on the implementation of the project which entails the seamless interface of sub-systems of other departments within the City to the Core system that has a bearing on the financial management sub-systems and the core system and this phase was completed in 2018. The upgrade to MSCOA version 7.0 to 7.1 chart is released to be used for the compilation of the 2026/2027 Medium Term Revenue and Expenditure Framework.

OPERATING REVENUE FRAMEWORK

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

The City's revenue strategy is built around the following key components:

- (a) National Treasury's guidelines and macroeconomic policy;
- (b) Growth in the City and continued economic development;
- (c) Efficient revenue management, which aims to ensure a 92 per cent annual collection rate for property rates and other key service charges such as electricity, water, sewerage and refuse removal services;
- (d) Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- (e) Achievement of full cost recovery of specific user charges especially in relation to trading services;
- (f) Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- (g) The City's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- (h) Increase ability to extend new services and recover costs;
- (i) The City's Indigent Policy and rendering of free basic services; and
- (j) Tariff policies of the City.

Overall impact of tariff increases on households

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

MP326 City of Mbombela - Supporting Table SA14 Household bills											
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27 % incr.	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		331,75	349,21	371,50	395,21	395,21	395,21	6,0%	418,92	444,06	470,70
Electricity: Basic levy			-	-	-	-	-	-	-	-	-
Electricity: Consumption		1 998,47	2 103,65	2 410,23	2 699,00	2 699,00	2 699,00	10,0%	2 968,00	3 205,00	3 461,00
Water: Basic levy		123,01	130,87	130,87	130,87	130,87	130,87	6,0%	138,22	138,22	138,22
Water: Consumption		109,57	115,34	122,70	130,53	130,53	130,53	6,0%	138,36	146,66	155,46
Sanitation		196,66	207,01	232,59	245,00	232,59	232,59	6,0%	246,54	261,34	277,02
Refuse removal		193,13	203,29	240,43	240,43	240,43	240,43	6,0%	254,85	270,15	286,36
Other											
sub-total		2 952,59	3 109,37	3 508,32	3 841,04	3 828,63	3 828,63	8,4%	4 164,89	4 465,43	4 788,76
VAT on Services											
Total large household bill:		2 952,59	3 109,37	3 508,32	3 841,04	3 828,63	3 828,63	8,4%	4 164,89	4 465,43	4 788,76
% increase/-decrease		-	5,3%	12,8%	9,5%	(0,3%)	-	(7,4%)	8,8%	7,2%	7,2%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		232,33	246,27	330,76	312,03	312,03	312,03	6,0%	330,76	350,60	371,64
Electricity: Basic levy											
Electricity: Consumption		697,00	734,06	844,61	951,19	951,19	951,19	10,0%	1 046,00	1 130,00	1 243,00
Water: Basic levy		123,01	123,01	130,87	130,87	130,87	130,87	6,0%	138,22	146,51	146,51
Water: Consumption		469,00	469,00	469,00	497,00	497,00	497,00	6,0%	526,00	526,97	526,97
Sanitation		179,77	179,77	191,25	202,72	202,72	202,72	6,0%	214,10	227,78	214,45
Refuse removal		131,93	131,93	140,34	148,76	148,76	148,76	6,0%	157,69	167,15	177,18
Other											
sub-total		1 833,04	1 884,04	2 106,83	2 242,57	2 242,57	2 242,57	7,6%	2 412,77	2 549,01	2 679,75
VAT on Services		-	-	-	-	-	-	-	-	-	-
Total small household bill:		1 833,04	1 884,04	2 106,83	2 242,57	2 242,57	2 242,57	7,6%	2 412,77	2 549,01	2 679,75
% increase/-decrease			2,8%	11,8%	6,4%	-	-	17,8%	7,6%	5,6%	5,1%
				3,25	- 0,46	- 1,00	-				
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		128,00	137,56	146,33	155,11	155,11	155,11	6,0%	164,42	174,28	184,74
Electricity: Basic levy											
Electricity: Consumption		473,00	538,01	612,49	685,00	685,00	685,00	10,0%	753,00	810,01	923,41
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		360,00	384,21	404,43	428,70	428,70	428,70	6,0%	454,42	481,68	428,70
Sanitation		270,00	288,43	321,83	341,14	341,14	341,14	6,0%	361,61	383,30	406,30
Refuse removal		257,00	274,70	259,15	274,70	274,70	274,70	6,0%	291,18	308,65	327,17
Other		-	-	-	-	-	-	-	-	-	-
sub-total		1 488,00	1 622,91	1 744,23	1 884,65	1 884,65	1 884,65	7,4%	2 024,63	2 157,92	2 270,32
VAT on Services											
Total small household bill:		1 488,00	1 622,91	1 744,23	1 884,65	1 884,65	1 884,65	7,4%	2 024,63	2 157,92	2 270,32
% increase/-decrease			9,1%	7,5%	8,1%	-	-	(7,7%)	7,4%	6,6%	5,2%

Free basic services: basic social services package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the City's approved Indigent Policy. Details relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement are contained in Table A10 (Basic Service Delivery Measurement).

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

Cost of free basic services medium term is tabulated on the table below.

MP326 City of Mbombela - Table A10 Basic service delivery measurement										
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		98 256	98 256	98 256	101 203	101 203	101 203	104 239	104 239	104 239
Sanitation (free minimum level service)		98 256	98 256	98 256	101 203	101 203	101 203	104 239	104 239	104 239
Electricity/other energy (50kwh per household per month)		9 000	8 927	8 927	6 544	6 544	6 544	6 544	6 544	6 544
Refuse (removed at least once a week)		9 000	8 927	8 927	6 544	6 544	6 544	6 544	6 544	6 544
Informal Settlements		29,752	29,752	29,752	29,752	29,752	29,752	29,752	29,752	29,752
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per indigent household per month)		23 226	24 193	24 941	25 981	25 981	25 981	27 540	27 540	27 540
Sanitation (free sanitation service to indigent households)		23 226	24 193	24 941	25 981	25 981	25 981	27 540	27 540	27 540
Electricity/other energy (50kwh per indigent household per month)		76 859	80 061	84 275	86 803	86 803	86 803	90 275	90 275	90 275
Refuse (removed once a week for indigent households)		44 614	45 994	47 910	49 826	49 826	49 826	51 819	51 819	51 819
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		156 717	164 965	173 648	178 857	178 857	178 857	187 800	187 800	187 800
Total cost of FBS provided	8	324 640	339 406	355 715	367 448	367 448	367 448	384 974	384 974	384 974
Highest level of free service provided per household										
Property rates (R value threshold)		125 000	125 000	125 000	125 000	125 000	125 000	125 000	125 000	125 000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (Rand per household per month)		6	6	6	6	6	6	6	6	6
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		1	1	1	1	1	1	1	1	1
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		73 752	103 528	117 406	105 872	105 872	105 872	126 322	133 901	143 274
Water (in excess of 6 kilolitres per indigent household per month)		61 022	63 564	66 910	70 255	70 255	70 255	73 066	73 066	73 066
Sanitation (in excess of free sanitation service to indigent households)		2 067	2 176	2 291	2 359	2 359	2 359	2 477	2 477	2 477
Electricity/other energy (in excess of 50 kwh per indigent household per month)		53 274	55 494	58 414	60 167	60 167	60 167	61 972	61 972	61 972
Refuse (in excess of one removal a week for indigent households)		29 918	31 827	33 503	35 513	35 513	35 513	37 999	37 999	37 999
Municipal Housing - rental rebates										
Housing - top structure subsidies	6	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided		220 033	256 590	278 524	274 167	274 167	274 167	301 835	309 415	318 788

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

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

MP326 City of Mbombela - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)										
Functional Classification Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue - Functional										
<i>Governance and administration</i>		1 345 520	1 371 652	1 347 474	1 458 535	1 653 887	1 653 887	1 493 272	1 442 198	1 521 944
Executive and council		2 765	3 251	1 476	11	3 233	3 233	6 058	6 300	6 552
Finance and administration		1 342 755	1 368 401	1 345 998	1 458 524	1 650 654	1 650 654	1 487 214	1 435 898	1 515 392
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		25 279	24 817	52 584	6 404	7 868	7 868	25 637	19 278	20 197
Community and social services		4 152	5 262	31 560	2 283	2 690	2 690	20 289	13 402	13 742
Sport and recreation		19 959	18 301	17 523	234	223	223	236	260	286
Public safety		1 168	1 254	3 501	3 887	4 954	4 954	5 112	5 616	6 169
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		530 376	429 573	464 171	462 217	536 575	536 575	492 617	539 490	524 777
Planning and development		416 124	378 688	410 198	400 861	469 551	469 551	428 298	467 867	450 778
Road transport		114 252	50 885	53 973	61 356	67 023	67 023	64 318	71 624	73 999
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 533 454	2 746 565	3 004 088	3 317 889	3 744 265	3 744 265	3 569 702	3 953 768	4 215 345
Energy sources		1 540 721	1 705 388	1 919 740	2 157 151	2 585 819	2 585 819	2 369 395	2 344 517	2 492 001
Water management		467 663	455 482	463 404	537 922	527 799	527 799	554 802	285 608	203 625
Waste water management		213 127	243 552	271 712	263 831	266 662	266 662	261 386	1 089 352	1 298 149
Waste management		311 942	342 142	349 232	358 985	363 985	363 985	384 119	234 291	221 570
<i>Other</i>	4	-	-	-	-	-	-	5	5	6
Total Revenue - Functional	2	4 434 629	4 572 606	4 868 317	5 245 045	5 942 594	5 942 594	5 581 232	5 954 740	6 282 270
Expenditure - Functional										
<i>Governance and administration</i>		1 271 028	1 174 152	1 209 773	1 038 251	1 140 370	1 140 370	953 901	954 512	918 275
Executive and council		164 656	166 349	174 861	162 061	162 190	162 190	134 190	136 818	168 105
Finance and administration		1 090 579	992 981	1 020 205	861 682	960 745	960 745	806 469	803 772	736 963
Internal audit		15 793	14 823	14 707	14 508	17 435	17 435	13 242	13 922	13 207
<i>Community and public safety</i>		404 629	443 769	475 085	406 809	449 439	449 439	436 027	455 670	451 386
Community and social services		74 053	81 899	87 457	84 939	110 386	110 386	100 869	117 533	106 038
Sport and recreation		152 186	167 549	177 220	102 780	117 500	117 500	105 961	107 349	110 153
Public safety		153 134	180 798	197 458	206 798	209 261	209 261	211 097	214 155	222 069
Housing		25 256	13 523	12 950	12 292	12 292	12 292	10 396	12 623	13 126
Health		-	-	-	-	-	-	7 704	4 010	-
<i>Economic and environmental services</i>		495 518	486 488	339 951	591 765	494 479	494 479	471 030	386 833	439 955
Planning and development		95 073	100 743	114 446	144 122	134 911	134 911	141 925	106 910	110 057
Road transport		393 093	367 620	216 501	439 012	336 416	336 416	320 762	270 684	321 417
Environmental protection		7 352	18 125	9 004	8 631	23 151	23 151	8 343	9 238	8 482
<i>Trading services</i>		2 346 394	2 713 607	3 001 004	2 484 044	2 785 414	2 785 414	2 736 097	3 001 336	3 139 640
Energy sources		1 308 095	1 561 747	1 783 296	1 671 501	1 683 901	1 683 901	1 801 454	1 967 975	2 105 750
Water management		582 160	681 957	703 205	402 627	493 005	493 005	413 560	459 574	463 717
Waste water management		130 854	127 417	117 544	153 355	246 091	246 091	206 459	249 010	248 080
Waste management		325 285	342 486	396 960	256 562	362 418	362 418	314 625	324 777	322 093
<i>Other</i>	4	33 866	35 164	37 416	36 111	47 279	47 279	38 594	39 617	41 073
Total Expenditure - Functional	3	4 551 435	4 853 181	5 063 230	4 556 981	4 916 981	4 916 981	4 635 649	4 837 968	4 990 330
Surplus/(Deficit) for the year		(116 806)	(280 574)	(194 913)	688 064	1 025 613	1 025 613	945 582	1 116 772	1 291 939

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

MP326 City of Mbombela - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand										
Revenue by Vote	1									
Vote 01 - Council		-	-	6	11	(0)	(0)	(0)	(0)	(0)
Vote 02 - Office Of Council		-	1 278	1 329	-	-	-	-	-	-
Vote 03 - Municipal Manager		9 158	25 479	9 151	18 572	9 831	9 831	-	-	-
Vote 04 - City Planning And Development Department		11 455	12 426	19 734	17 961	59 331	59 331	53 855	66 154	71 767
Vote 05 - Corporate Services Department		6 813	1 673	5 655	17 001	4 799	4 799	12 275	12 787	13 322
Vote 06 - Strategic Management Services		74	71	71	-	71	71	-	-	-
Vote 07 - Financial Management		1 334 071	1 364 118	1 329 588	1 435 760	1 618 594	1 618 594	1 465 740	1 405 713	1 483 555
Vote 08 - Technical Services		2 082 943	2 229 116	2 515 144	3 385 122	3 357 122	3 357 122	-	-	-
Vote 09 - Social Services		845	746	30 209	507	833	833	18 290	11 203	11 323
Vote 10 - Community Services		337 626	367 494	371 607	364 882	371 020	371 020	386 355	236 750	224 275
Vote 11 - Public Works, Roads And Transport		55 171	-	-	-	-	-	454 019	497 035	478 078
Vote 12 - Local Economic Development		8 596	6 827	6 365	5 197	5 297	5 297	-	-	-
Vote 13 - Water And Sanitation		(3 924)	(2 980)	(3 162)	-	57	57	816 187	1 374 961	1 501 774
Vote 14 - Energy		593 001	567 637	582 618	31	515 640	515 640	2 369 395	2 344 517	2 492 001
Vote 15 - Other		(1 198)	(1 280)	-	-	-	-	5 117	5 621	6 175
Total Revenue by Vote	2	4 434 629	4 572 606	4 868 317	5 245 045	5 942 594	5 942 594	5 581 232	5 954 740	6 282 270
Expenditure by Vote to be appropriated	1									
Vote 01 - Council		74 406	86 634	77 351	79 583	83 040	83 040	77 369	78 412	80 436
Vote 02 - Office Of Council		11 430	7 019	7 560	-	-	-	-	-	-
Vote 03 - Municipal Manager		134 843	142 319	141 353	71 862	66 904	66 904	34 945	36 239	35 833
Vote 04 - City Planning And Development Department		86 053	68 581	97 860	79 779	100 619	100 619	124 822	104 553	105 726
Vote 05 - Corporate Services Department		191 096	206 815	221 040	151 665	188 875	188 875	173 999	177 659	202 399
Vote 06 - Strategic Management Services		54 493	59 504	63 993	65 994	69 855	69 855	52 224	50 702	51 905
Vote 07 - Financial Management		709 850	593 471	592 156	621 965	680 537	680 537	582 583	568 848	511 819
Vote 08 - Technical Services		2 306 048	2 754 395	2 753 678	2 670 314	2 763 255	2 763 255	-	-	-
Vote 09 - Social Services		107 141	135 003	163 332	89 892	116 177	116 177	136 570	140 573	128 585
Vote 10 - Community Services		679 532	752 270	827 510	657 212	778 929	778 929	392 589	413 096	409 699
Vote 11 - Public Works, Roads And Transport		16 100	0	-	-	-	-	359 170	307 804	359 041
Vote 12 - Local Economic Development		34 594	44 941	40 051	68 715	68 790	68 790	-	-	-
Vote 13 - Water And Sanitation		72 155	-	46 142	-	-	-	614 466	700 258	704 134
Vote 14 - Energy		33 390	20	31 738	-	-	-	1 801 454	1 967 975	2 105 750
Vote 15 - Other		40 305	2 210	(536)	-	-	-	285 459	291 848	295 003
Total Expenditure by Vote	2	4 551 435	4 853 181	5 063 230	4 556 981	4 916 981	4 916 981	4 635 649	4 837 968	4 990 330
Surplus/(Deficit) for the year	2	(116 806)	(280 574)	(194 913)	688 064	1 025 613	1 025 613	945 582	1 116 772	1 291 939

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

MP326 City of Mbombela - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue											
Exchange Revenue											
Service charges - Electricity	2	1 280 693	1 443 472	1 628 893	1 886 167	1 996 167	1 996 167	1 677 348	2 093 033	2 260 475	2 441 314
Service charges - Water	2	120 776	129 367	124 338	127 078	127 078	127 078	115 895	133 025	141 006	149 467
Service charges - Waste Water Management	2	23 436	25 880	25 891	27 165	30 165	30 165	27 499	33 537	35 549	37 682
Service charges - Waste Management	2	150 703	156 199	166 004	175 911	180 911	180 911	168 785	193 118	204 705	216 987
Sale of Goods and Rendering of Services	2	10 104	11 363	12 794	16 424	26 424	26 424	23 284	35 261	38 787	42 666
Agency services	2	-	-	-	-	-	-	-	-	-	-
Interest	2	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	37 414	45 443	46 749	57 955	60 955	60 955	60 171	44 217	48 070	52 835
Interest earned from Current and Non Current Assets	2	9 080	9 590	12 072	11 447	16 447	16 447	15 497	15 488	17 537	19 791
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	25 283	23 575	29 089	6 415	31 415	31 415	9 445	33 533	34 886	36 375
Licence and permits	2	41	169	1 345	174	274	274	273	322	355	390
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	105 498	4 787	4 656	13 533	2 791	2 791	7 445	6 179	6 364	6 555
Operational Revenue	2	315 045	170 965	54 265	75 581	166 324	166 324	33 686	58 539	60 826	63 354
Non-Exchange Revenue											
Property rates	2	803 090	975 218	1 016 588	1 122 539	1 182 539	1 182 539	984 310	1 163 907	1 230 741	1 313 393
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	3 999	6 915	3 775	4 367	14 367	14 367	7 622	16 987	18 685	20 554
Licences or permits	2	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	2	963 947	1 068 002	1 134 830	1 212 731	1 212 731	1 212 731	1 202 593	1 245 298	1 290 610	1 325 707
Interest	2	-	39 936	44 988	40 574	43 574	43 574	50 034	39 736	42 721	46 411
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets	2	-	-	-	-	-	-	-	-	-	-
Other Gains	2	34 447	2 394	9 184	-	319 067	319 067	319 067	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contribution)		3 883 557	4 113 274	4 315 460	4 778 061	5 411 228	5 411 228	4 702 954	5 112 180	5 431 318	5 773 480
Expenditure											
Employee related costs	2	1 256 139	1 328 890	1 392 261	1 291 089	1 291 089	1 291 089	1 327 199	1 367 951	1 422 669	1 479 576
Remuneration of councillors	2	62 782	62 592	65 918	64 660	64 660	64 660	62 411	67 895	69 932	72 030
Bulk purchases - electricity	2	1 110 557	1 323 437	1 537 836	1 380 692	1 380 692	1 380 692	1 507 158	1 526 395	1 679 034	1 846 938
Inventory consumed	2,8	91 032	123 123	129 103	124 771	122 892	122 892	120 065	116 193	112 294	101 065
Debt impairment	2,3	320 707	63 395	198 923	309 758	309 758	309 758	-	298 218	239 468	214 290
Depreciation, amortisation and impairment	2	557 352	564 885	361 667	757 582	663 068	663 068	377 974	699 869	815 468	816 059
Interest, Dividends and Rent on Land	2	168 682	149 442	174 201	81 008	18 087	18 087	24 568	37 230	38 719	40 268
Contracted services	2	603 305	730 768	709 613	426 176	928 704	928 704	712 649	383 558	345 202	310 682
Transfers and subsidies	2	47 272	46 730	48 751	24 374	30 116	30 116	37 843	46 314	23 155	21 997
Irrecoverable debts written off	2	38 815	136 546	69 501	-	-	-	15 918	-	-	-
Operational costs	2	288 902	309 332	371 776	96 869	107 915	107 915	245 120	92 026	92 026	87 425
Disposal of Fixed and Intangible Assets	2	5 890	14 041	3 337	-	-	-	-	-	-	-
Other Losses	2	-	-	343	-	-	-	-	-	-	-
Total Expenditure		4 551 435	4 853 181	5 063 230	4 556 981	4 916 981	4 916 981	4 430 905	4 635 649	4 837 968	4 990 330
Surplus/(Deficit)		(667 877)	(739 906)	(747 770)	221 080	494 247	494 247	272 049	476 530	593 350	783 149
Transfers and subsidies - capital (monetary allocations)	6	543 275	456 120	523 309	466 984	531 366	531 366	510 741	469 052	523 422	508 790
Transfers and subsidies - capital (in-kind)	6	7 797	3 212	29 548	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(116 806)	(280 574)	(194 913)	688 064	1 025 613	1 025 613	782 790	945 582	1 116 772	1 291 939
Income Tax		-	-	-	-	-	-	-	-	-	-

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

- Table A5 is a breakdown of the capital program 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.

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure - to be appropriated	2										
Vote 01 - Council		-	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of Council		-	-	-	-	-	-	-	-	-	-
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 04 - City Planning And Development Department		-	-	-	-	-	-	-	-	-	-
Vote 05 - Corporate Services Department		-	1 016	40 716	1 000	1 000	1 000	-	-	-	-
Vote 06 - Strategic Management Services		-	-	-	-	-	-	-	-	-	-
Vote 07 - Financial Management		-	-	1 782	-	-	-	-	-	-	-
Vote 08 - Technical Services		207 167	184 626	697 291	670 984	761 099	761 098	611 294	-	-	-
Vote 09 - Social Services		-	816	40	6 000	10 982	10 982	4 860	-	-	-
Vote 10 - Community Services		-	-	2 807	700	700	700	148	-	-	-
Vote 11 - Public Works, Roads And Transport		-	-	-	-	-	-	-	437 779	472 422	338 161
Vote 12 - Local Economic Development		-	-	-	-	-	-	-	-	-	-
Vote 13 - Water And Sanitation		5 144	926	-	-	-	-	-	62 500	135 000	199 926
Vote 14 - Energy		12 252	6 504	-	-	-	-	-	58 515	33 815	50 000
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	224 563	193 887	742 636	678 684	773 781	773 781	616 302	558 794	641 237	588 087
Single-year expenditure - to be appropriated	2										
Vote 01 - Council		-	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of Council		-	-	-	-	-	-	-	-	-	-
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 04 - City Planning And Development Department		-	-	-	-	-	-	-	-	-	-
Vote 05 - Corporate Services Department		801	5 435	1 927	5 000	8 917	8 917	4 134	10 000	-	-
Vote 06 - Strategic Management Services		-	-	-	-	-	-	-	-	-	-
Vote 07 - Financial Management		12 506	24 915	36 362	11 750	25 100	25 100	22 525	63 000	-	55 000
Vote 08 - Technical Services		-	3 124	12 547	7 500	27 950	27 950	18 704	-	-	-
Vote 09 - Social Services		1 703	-	289	1 000	3 668	3 668	3 018	-	-	-
Vote 10 - Community Services		286	2 237	(0)	17 000	15 400	15 400	2 487	-	-	-
Vote 11 - Public Works, Roads And Transport		-	-	-	-	-	-	-	76 649	41 500	10 000
Vote 12 - Local Economic Development		-	-	-	-	-	-	-	-	-	-
Vote 13 - Water And Sanitation		4 129	-	-	-	-	-	-	1 000	1 000	-
Vote 14 - Energy		-	-	-	-	-	-	-	12 109	9 000	3 403
Vote 15 - Other		14	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		19 438	35 711	51 125	42 250	81 035	81 035	50 868	162 758	51 500	68 403
Total Capital Expenditure - Vote		244 001	229 598	793 761	720 934	854 816	854 816	667 170	721 552	692 737	656 490
Capital Expenditure - Functional											
Governance and administration		15 009	31 366	80 787	17 750	35 017	35 017	26 659	73 000	-	55 000
Executive and council		-	-	-	1 000	1 000	1 000	-	-	-	-
Finance and administration		15 009	31 366	80 787	16 750	34 017	34 017	26 659	73 000	-	55 000
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		1 041	9 989	3 521	30 800	29 038	29 038	14 237	60 500	73 000	20 000
Community and social services		795	7 781	2 477	13 900	12 551	12 551	5 272	25 500	25 000	20 000
Sport and recreation		233	1 082	1 044	15 300	14 087	14 087	8 942	35 000	48 000	-
Public safety		14	1 125	-	1 600	2 400	2 400	23	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		70 179	89 102	455 292	326 684	443 284	443 284	380 879	352 499	289 422	100 000
Planning and development		-	0	-	-	6 000	6 000	3 689	-	-	-
Road transport		70 179	89 102	455 292	326 684	437 284	437 284	377 191	352 499	289 422	100 000
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		157 771	99 142	254 160	337 500	341 276	341 276	245 395	235 553	330 315	481 490
Energy sources		92 742	98 216	85 108	60 000	71 719	71 719	57 528	74 824	44 315	53 403
Water management		14 836	926	62 043	194 000	158 628	158 628	109 115	129 000	250 000	357 087
Waste water management		50 140	0	84 414	58 000	74 565	74 565	46 061	14 500	36 000	71 000
Waste management		53	(0)	22 596	25 500	36 363	36 363	32 691	17 229	-	-
Other		-	-	-	8 200	6 200	6 200	-	-	-	-
Total Capital Expenditure - Functional	3	244 001	229 598	793 761	720 934	854 816	854 816	667 170	721 552	692 737	656 490
Funded by:											
National Government		153 868	160 755	459 345	466 984	531 366	531 366	483 693	469 052	523 422	508 790
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Prov. Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	1 274	1 300	-	1 933	1 933	229	-	-	-
Transfers recognised - capital	4	153 868	162 028	460 645	466 984	533 299	533 299	483 922	469 052	523 422	508 790
Borrowing	6										
Internally generated funds		90 132	67 570	333 116	253 950	321 517	321 517	183 248	252 500	169 315	147 700
Total Capital Funding	7	244 001	229 598	793 761	720 934	854 816	854 816	667 170	721 552	692 737	656 490

Explanatory notes to Table A6 - Budgeted Financial Position

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

MP326 City of Mbombela - Table A6 Budgeted Financial Position											
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand											
ASSETS											
Current assets											
Cash and cash equivalents	1	205 310	140 091	142 754	278 845	278 845	278 845	946	181 249	185 986	198 458
Short term Investments	2	–	–	–	–	–	–	–	–	–	–
Trade and other receivables from ex change transactions	3	556 255	896 394	1 128 201	1 228 511	1 293 023	1 293 023	289 951	1 666 850	1 660 516	1 685 056
Receivables from non-ex change transactions	3	71 864	203 468	243 945	200 852	164 012	164 012	360 232	167 771	198 867	210 930
Current portion of non-current receivables	4	465	1 075	2 196	1 075	2 196	2 196	(37)	2 196	2 196	2 196
Inventory	5	61 874	59 113	77 049	59 113	77 049	77 049	1 234	77 049	77 049	77 049
VAT Receivable	6	55 074	50 581	85 408	(9 093)	25 734	25 734	288 907	581 393	581 393	581 393
Other current assets	7	12 548	13 294	18 281	13 294	18 281	18 281	(33 020)	18 281	18 281	18 281
Total current assets		963 391	1 364 016	1 697 833	1 772 598	1 859 139	1 859 139	908 211	2 694 790	2 724 288	2 773 362
Non current assets											
Investments	8	0	0	0	–	–	–	–	0	0	0
Investment property	9	321 630	319 188	316 745	319 188	316 745	316 745	(2 239)	312 861	312 084	311 851
Property, plant and equipment	10	7 337 392	7 315 716	7 812 308	7 272 707	7 899 263	7 899 263	286 611	7 830 698	7 697 626	7 661 190
Biological assets	11	–	–	–	–	–	–	–	–	–	–
Living resources	12	–	–	–	–	–	–	–	–	–	–
Heritage assets	13	2 329	2 329	2 329	2 329	2 329	2 329	–	2 329	2 329	2 329
Intangible assets	14	24 713	25 413	26 493	36 053	41 050	41 050	4 824	33 669	23 105	22 935
Trade and other receivables from ex change transactions	15	–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-ex change transactions	15	2 096	2 165	2 168	2 165	2 168	2 168	–	2 168	2 168	2 168
Other non-current assets	16	–	–	–	–	–	–	–	–	–	–
Total non current assets		7 688 161	7 664 811	8 160 043	7 632 441	8 261 555	8 261 555	289 196	8 181 725	8 037 312	8 000 474
TOTAL ASSETS		8 651 552	9 028 826	9 857 876	9 405 039	10 120 694	10 120 694	1 197 407	10 876 515	10 761 600	10 773 835
LIABILITIES											
Current liabilities											
Bank overdraft	17	–	–	–	–	–	–	–	–	–	–
Financial liabilities	18	22 284	25 451	19 793	8 798	3 140	3 140	(19 245)	21 057	23 491	26 398
Consumer deposits	19	65 696	68 542	45 999	68 542	45 999	45 999	6 241	45 999	45 999	45 999
Trade and other payables from exchange transactions	20	3 144 647	2 602 598	3 724 444	1 652 095	1 989 409	1 989 409	517 253	1 484 301	1 143 875	950 443
Trade and other payables from non-exchange transaction	21	96 651	106 819	9 444	–	3 907	3 907	18 333	–	–	–
Provision	22	40 800	19 785	14 879	19 785	14 879	14 879	–	732	732	732
VAT Payable	23	51 723	61 667	64 404	61 667	64 404	64 404	282 294	107 970	107 970	107 970
Other current liabilities	24	5 127	3 646	7 048	3 646	7 048	7 048	–	21 195	21 195	21 195
Total current liabilities		3 426 928	2 888 509	3 886 012	1 814 533	2 128 786	2 128 786	804 877	1 681 253	1 343 263	1 152 737
Non current liabilities											
Financial liabilities	25	240 968	221 973	210 604	221 973	210 604	210 604	–	210 604	210 604	210 604
Provision	26	167 910	194 530	218 671	191 157	232 591	232 591	(13 310)	232 591	232 591	232 591
Long term portion of trade payables	27	–	1 066 732	1 066 732	353 119	711 155	711 155	(356 119)	2 210 613	2 210 613	2 210 613
Other non-current liabilities	28	277 097	283 684	319 932	287 057	306 012	306 012	–	306 012	306 012	306 012
Total non current liabilities		685 975	1 766 919	1 815 940	1 053 306	1 460 362	1 460 362	(369 429)	2 959 821	2 959 821	2 959 821
TOTAL LIABILITIES		4 112 904	4 655 428	5 701 951	2 867 839	3 589 148	3 589 148	435 448	4 641 074	4 303 083	4 112 558
NET ASSETS		4 538 648	4 373 398	4 155 925	6 537 200	6 531 546	6 531 546	761 959	6 235 442	6 458 517	6 661 278
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	29	4 589 797	4 373 398	4 156 722	5 849 136	5 505 933	5 505 933	796 481	6 237 485	6 467 757	6 669 761
Reserves and funds	30	–	–	–	–	–	–	–	–	–	–
Other	31	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	32	4 589 797	4 373 398	4 156 722	5 849 136	5 505 933	5 505 933	796 481	6 237 485	6 467 757	6 669 761

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

The budgeted 2026/2027 final 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.

MP326 City of Mbombela - Table A7 Budgeted Cash Flows											
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		759 340	749 792	821 982	1 058 433	1 135 237	1 135 237	816 792	1 070 794	1 156 897	1 247 723
Service charges		1 519 501	1 623 669	1 845 691	2 069 591	2 240 948	2 240 948	1 932 387	2 256 495	2 483 231	2 703 177
Other revenue		1 672 238	1 808 675	1 968 131	526 549	589 420	589 420	3 339 911	75 208	82 066	88 322
Transfers and Subsidies - Operational	1	322 915	1 063 310	1 133 444	1 212 731	1 212 731	1 212 731	1 212 731	1 245 298	1 290 610	1 325 707
Transfers and Subsidies - Capital	1	628 121	439 252	460 647	466 984	476 366	476 366	517 218	469 052	523 422	508 790
Interest		46 408	8 559	8 552	11 447	16 447	16 447	15 180	15 488	17 537	19 791
Dividends									-	-	-
Payments											
Suppliers and employees		(5 355 481)	(9 027 319)	(5 794 432)	(4 395 112)	(4 670 592)	(4 670 592)	(5 625 839)	(4 279 212)	(4 782 854)	(5 148 388)
Finance charges		-	-	-	(49 907)	(18 087)	(18 087)	-	(37 230)	(38 719)	(40 268)
Transfers and Subsidies	1	-	-	-	(24 374)	(29 911)	(29 911)	-	(46 314)	(23 155)	(21 997)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(406 959)	(3 334 062)	444 016	876 341	952 560	952 560	2 208 380	769 580	709 036	682 857
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE									-	-	-
Decrease (increase) in non-current receivables		(7)	(68)	(3)	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Insurance Refund - Capital		-	-	-	-	-	-	-	11 524	11 930	12 502
Interest on Short Term Investment (Greater than 90 days) and Long Term Investments									-	-	-
Payments											
Capital assets		(244 001)	(229 598)	(793 761)	(720 934)	(799 816)	(799 816)	(650 138)	(721 552)	(692 737)	(656 490)
Retention (Capital)									-	-	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		(244 008)	(229 667)	(793 764)	(720 934)	(799 816)	(799 816)	(650 138)	(710 028)	(680 807)	(643 988)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	(1 143)	(962)	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	(2 127)	(298)	-	-	-	3 766	-	-	-
Payments											
Repayment of borrowing		9 928	-	-	(16 653)	(16 653)	(16 653)	-	(21 057)	(23 491)	(26 398)
NET CASH FROM/(USED) FINANCING ACTIVITIES		9 928	(3 269)	(1 259)	(16 653)	(16 653)	(16 653)	3 766	(21 057)	(23 491)	(26 398)
NET INCREASE/ (DECREASE) IN CASH HELD		(641 039)	(3 566 998)	(351 007)	138 754	136 091	136 091	1 562 008	38 495	4 737	12 471
Cash/cash equivalents at the year begin:	2	144 511	205 310	140 091	140 091	142 754	142 754	-	142 754	181 249	185 986
Cash/cash equivalents at the year end:	2	(496 528)	(3 361 688)	(210 916)	278 845	278 845	278 845	1 562 008	181 249	185 986	198 458

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

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. 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.
3. 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 City's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.

MP326 City of Mbombela - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	(496 528)	(3 361 688)	(210 916)	278 845	278 845	278 845	1 562 008	181 249	185 986	198 458
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-
Non current Investments	1	0	0	0	-	-	-	-	0	0	0
Cash and investments available:		(496 528)	(3 361 688)	(210 916)	278 845	278 845	278 845	1 562 008	181 249	185 986	198 458
Application of cash and investments											
Unspent conditional transfers		96 651	106 774	9 444	-	9 444	9 444	18 333	-	-	-
Unspent borrowing											
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	2 845 099	2 071 470	2 966 016	1 097 993	1 439 660	1 439 660	32 591	(194 239)	(594 286)	(840 569)
Other provisions		25 784	4 544	732	4 544	732	732	732	732	732	732
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		2 967 535	2 182 788	2 976 192	1 102 537	1 449 836	1 449 836	51 657	(193 507)	(593 553)	(839 837)
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Beneficiaries		(3 464 063)	(5 544 476)	(3 187 108)	(823 692)	(1 170 991)	(1 170 991)	1 510 351	374 757	779 540	1 038 294
Creditors transferred to Debt Relief - Non-Current portion		-	-	-	-	-	-	-	-	-	-
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Beneficiaries		(3 464 063)	(5 544 476)	(3 187 108)	(823 692)	(1 170 991)	(1 170 991)	1 510 351	374 757	779 540	1 038 294

Explanatory notes to Table A9 - Asset Management

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

MP326 City of Mbombela - Table A9 Asset Management

Description		Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
CAPITAL EXPENDITURE											
Total New Assets		1	91 846	131 739	196 183	271 050	213 427	213 427	252 024	242 815	358 764
Roads Infrastructure			-	2 730	54 381	21 600	23 096	23 096	33 700	25 000	20 000
Storm water Infrastructure			-	(0)	22 813	-	-	-	-	-	-
Electrical Infrastructure			68 748	87 735	53 834	45 000	36 719	36 719	39 824	42 815	53 403
Water Supply Infrastructure			-	0	6 793	147 500	78 215	78 215	89 000	158 500	229 861
Sanitation Infrastructure			-	(0)	15 752	21 000	26 285	26 285	5 500	500	500
Solid Waste Infrastructure			-	-	-	-	-	-	-	-	-
Rail Infrastructure			-	-	-	-	-	-	-	-	-
Coastal Infrastructure			-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure			-	-	-	-	-	-	-	-	-
Infrastructure			68 748	90 465	153 574	235 100	164 315	164 315	168 024	226 815	303 764
Community Facilities			795	6 936	2 477	9 000	7 000	7 000	10 000	15 000	-
Sport and Recreation Facilities			-	-	-	2 800	1 096	1 096	-	-	-
Community Assets			795	6 936	2 477	11 800	8 096	8 096	10 000	15 000	-
Heritage Assets			-	-	-	-	-	-	-	-	-
Revenue Generating			-	-	-	-	-	-	-	-	-
Non-revenue Generating			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Operational Buildings			0	0	-	-	-	-	1 000	1 000	-
Housing			-	-	-	-	-	-	-	-	-
Other Assets			0	0	-	-	-	-	1 000	1 000	-
Biological or Cultivated Assets			-	-	-	-	-	-	-	-	-
Servitudes			-	-	-	-	-	-	-	-	-
Licences and Rights			9 462	2 937	1 827	8 500	12 417	12 417	10 000	-	-
Intangible Assets			9 462	2 937	1 827	8 500	12 417	12 417	10 000	-	-
Computer Equipment			1 703	2 498	1 205	-	-	-	-	-	-
Furniture and Office Equipment			3 144	6 270	1 052	800	800	800	-	-	-
Machinery and Equipment			3 165	3 172	235	3 900	3 500	3 500	-	-	-
Transport Assets			4 829	19 460	35 813	-	-	-	63 000	-	55 000
Land			-	-	-	10 950	24 300	24 300	-	-	-
Zoo's, Marine and Non-biological Animals			-	-	-	-	-	-	-	-	-
Mature			-	-	-	-	-	-	-	-	-
Immature			-	-	-	-	-	-	-	-	-
Living Resources			-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets		2	62 380	14 672	355 920	217 000	297 478	297 478	159 850	153 850	110 500
Roads Infrastructure			7 697	7 161	256 819	164 000	203 799	203 799	124 850	102 350	35 000
Storm water Infrastructure			-	0	-	-	-	-	-	-	-
Electrical Infrastructure			12 252	6 504	2 795	-	-	-	10 000	-	-
Water Supply Infrastructure			297	926	78 028	25 000	41 660	41 660	12 000	18 500	5 000
Sanitation Infrastructure			41 887	(0)	10 368	22 000	38 369	38 369	5 000	33 000	70 500
Solid Waste Infrastructure			-	-	-	-	-	-	-	-	-
Rail Infrastructure			-	-	-	-	-	-	-	-	-
Coastal Infrastructure			-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure			-	-	-	-	-	-	-	-	-
Infrastructure			62 133	14 592	348 010	211 000	283 828	283 828	151 850	153 850	110 500
Community Facilities			14	-	-	1 500	9 150	9 150	8 000	-	-
Sport and Recreation Facilities			233	80	-	4 500	4 500	4 500	-	-	-
Community Assets			247	80	-	6 000	13 650	13 650	8 000	-	-
Heritage Assets			-	-	-	-	-	-	-	-	-
Revenue Generating			-	-	-	-	-	-	-	-	-
Non-revenue Generating			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Operational Buildings			-	-	7 910	-	-	-	-	-	-
Housing			-	-	-	-	-	-	-	-	-
Other Assets			-	-	7 910	-	-	-	-	-	-
Biological or Cultivated Assets			-	-	-	-	-	-	-	-	-
Servitudes			-	-	-	-	-	-	-	-	-
Licences and Rights			-	-	-	-	-	-	-	-	-

Total Upgrading of Existing Assets	6	89 774	83 188	241 658	232 884	343 910	343 910	309 678	296 072	187 226
Roads Infrastructure		62 482	79 211	138 881	151 684	213 191	213 191	205 649	173 572	65 000
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		11 742	3 977	28 424	15 000	35 000	35 000	20 800	-	-
Water Supply Infrastructure		10 410	0	14 707	36 500	50 766	50 766	28 000	73 000	122 226
Sanitation Infrastructure		5 141	0	374	-	3 899	3 899	3 000	1 500	-
Solid Waste Infrastructure		-	(0)	22 596	20 000	30 863	30 863	17 229	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		89 774	83 188	204 983	223 184	333 719	333 719	274 678	248 072	187 226
Community Facilities		-	(0)	2 832	6 200	1 691	1 691	17 000	20 000	-
Sport and Recreation Facilities		(0)	-	1 044	2 000	7 000	7 000	18 000	28 000	-
Community Assets		(0)	(0)	3 876	8 200	8 691	8 691	35 000	48 000	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	32 800	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	32 800	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	500	500	500	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	1 000	1 000	1 000	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	244 001	229 598	793 761	720 934	854 816	854 816	721 552	692 737	656 490
Roads Infrastructure		70 179	89 102	450 081	337 284	440 086	440 086	364 199	300 922	120 000
Storm water Infrastructure		-	(0)	22 813	-	-	-	-	-	-
Electrical Infrastructure		92 742	98 216	85 053	60 000	71 719	71 719	70 624	42 815	53 403
Water Supply Infrastructure		10 707	926	99 529	209 000	170 640	170 640	129 000	250 000	357 087
Sanitation Infrastructure		47 028	(0)	26 494	43 000	68 553	68 553	13 500	35 000	71 000
Solid Waste Infrastructure		-	(0)	22 596	20 000	30 863	30 863	17 229	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		220 656	188 244	706 566	669 284	781 861	781 861	594 552	628 737	601 490
Community Facilities		808	6 936	5 308	16 700	17 841	17 841	35 000	35 000	-
Sport and Recreation Facilities		233	80	1 044	9 300	12 596	12 596	18 000	28 000	-
Community Assets		1 041	7 016	6 353	26 000	30 437	30 437	53 000	63 000	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		0	0	40 709	-	-	-	1 000	1 000	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		0	0	40 709	-	-	-	1 000	1 000	-
Biological or Cultivated Assets		-	-	-	500	500	500	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		9 462	2 937	1 827	8 500	12 417	12 417	10 000	-	-
Intangible Assets		9 462	2 937	1 827	8 500	12 417	12 417	10 000	-	-
Computer Equipment		1 703	2 498	1 205	-	-	-	-	-	-
Furniture and Office Equipment		3 144	6 270	1 052	1 800	1 800	1 800	-	-	-
Machinery and Equipment		3 165	3 172	235	3 900	3 500	3 500	-	-	-
Transport Assets		4 829	19 460	35 813	-	-	-	63 000	-	55 000
Land		-	-	-	10 950	24 300	24 300	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		244 001	229 598	793 761	720 934	854 816	854 816	721 552	692 737	656 490

ASSET REGISTER SUMMARY - PPE (WDV)	5	6 586 946	6 479 767	6 674 124	6 447 397	6 775 636	6 775 636	6 695 807	6 551 393	6 514 555
Roads Infrastructure		1 300 354	1 341 257	1 523 631	1 397 508	1 682 683	1 682 683	1 716 125	1 618 507	1 427 282
Storm water Infrastructure		387 775	387 775	404 703	387 775	404 703	404 703	404 703	404 703	404 703
Electrical Infrastructure		632 630	683 276	691 936	632 698	653 077	653 077	679 383	634 939	640 536
Water Supply Infrastructure		1 725 754	1 630 240	1 614 656	1 731 591	1 677 647	1 677 647	1 662 368	1 733 914	1 834 464
Sanitation Infrastructure		599 251	545 098	501 928	489 871	466 130	466 130	372 214	364 884	392 282
Solid Waste Infrastructure		26 811	18 368	23 890	36 211	52 596	52 596	40 508	23 157	23 120
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		1 029	1 029	-	1 029	-	-	-	-	-
Infrastructure		4 673 605	4 607 044	4 760 744	4 676 684	4 936 837	4 936 837	4 875 301	4 780 103	4 722 387
Community Assets		52 431	48 573	41 338	(29 175)	(31 850)	(31 850)	80 969	88 295	24 492
Heritage Assets		2 329	2 329	2 329	2 329	2 329	2 329	2 329	2 329	2 329
Investment properties		321 630	319 188	316 745	319 188	316 745	316 745	312 861	312 084	311 851
Other Assets		723 256	662 812	623 909	663 312	630 409	630 409	460 059	484 848	517 027
Biological or Cultivated Assets										
Intangible Assets		24 713	25 413	26 493	36 053	41 050	41 050	33 669	23 105	22 935
Computer Equipment		33 917	31 633	26 488	20 777	15 633	15 633	25 786	25 645	25 603
Furniture and Office Equipment		(23 322)	(21 577)	24 891	(30 554)	15 915	15 915	17 269	15 745	15 288
Machinery and Equipment		29 736	32 757	26 020	22 847	15 710	15 710	20 244	19 089	18 743
Transport Assets		91 104	98 115	120 216	81 507	103 608	103 608	162 369	95 199	148 949
Land		657 548	673 480	704 950	684 430	729 250	729 250	704 950	704 950	704 950
Zoo's, Marine and Non-biological Animals										
Living Resources										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	6 586 946	6 479 767	6 674 124	6 447 397	6 775 636	6 775 636	6 695 807	6 551 393	6 514 555
EXPENDITURE OTHER ITEMS		941 026	1 028 369	675 653	979 902	1 155 752	1 155 752	1 103 373	1 188 968	1 214 786
Depreciation	7	557 352	564 885	361 667	757 582	663 068	663 068	699 869	815 468	816 059
Repairs and Maintenance by Asset Class	3	383 674	463 484	313 986	222 320	492 683	492 683	403 504	373 500	398 727
Roads Infrastructure		88 247	61 726	14 346	34 914	74 134	74 134	118 849	50 557	92 849
Storm water Infrastructure		4 794	5 109	4 809	18 453	103 189	103 189	1 500	4 131	3 346
Electrical Infrastructure		93 136	111 930	67 971	48 408	58 748	58 748	104 260	121 481	95 333
Water Supply Infrastructure		79 598	159 783	116 376	40 409	79 909	79 909	96 330	98 038	137 864
Sanitation Infrastructure		38 647	23 384	-	-	-	-	-	-	-
Solid Waste Infrastructure		30 206	34 538	43 322	17 430	37 947	37 947	16 500	15 532	12 581
Rail Infrastructure		50	61	17	92	92	92	5	4 748	4
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		334 679	396 532	246 841	159 706	354 020	354 020	337 445	294 487	341 977
Community Facilities		2 822	1 785	5 564	6 496	25 566	25 566	5 124	11 226	9 093
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		2 822	1 785	5 564	6 496	25 566	25 566	5 124	11 226	9 093
Heritage Assets		-	-	-	329	329	329	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		22 259	21 573	22 689	21 021	67 601	67 601	24 014	35 045	25 448
Housing		-	-	-	-	-	-	-	-	-
Other Assets		22 259	21 573	22 689	21 021	67 601	67 601	24 014	35 045	25 448
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		2 161	1 106	642	1 588	2 688	2 688	3 532	1 109	898
Transport Assets		21 754	42 488	38 250	33 180	42 480	42 480	33 389	31 633	21 310
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		941 026	1 028 369	675 653	979 902	1 155 752	1 155 752	1 103 373	1 188 968	1 214 786
Renewal and upgrading of Existing Assets as % of total capex		62,4%	42,6%	75,3%	62,4%	75,0%	75,0%	65,1%	64,9%	45,4%
Renewal and upgrading of Existing Assets as % of deprec		27,3%	17,3%	165,2%	59,4%	96,7%	96,7%	67,1%	55,2%	36,5%
R&M as a % of PPE & Investment Property		5,8%	7,2%	4,7%	3,5%	7,3%	7,3%	6,1%	5,7%	6,1%
Renewal and upgrading and R&M as a % of PPE and Investment Property		8,2%	8,7%	13,7%	10,5%	16,8%	16,8%	13,1%	12,6%	10,7%

Explanatory notes to Table A10 - Basic Service Delivery Measurement

MP326 City of Mbombela - Table A10 Basic service delivery measurement									
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue	
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28
Household service targets	1								
Water:									
Piped water inside dwelling		89 442	89 442	89 442	92 125	92 125	92 125	93 055	93 055
Piped water inside yard (but not in dwelling)		53 751	53 751	53 751	55 364	55 364	55 364	57 025	57 025
Using public tap (at least min.service level)	2	16 340	16 340	16 340	16 830	16 830	16 830	17 335	17 335
Other water supply (at least min.service level)	4	55 041	55 041	55 041	56 692	56 692	56 692	58 393	58 393
Minimum Service Level and Above sub-total		214 574	214 574	214 574	221 011	221 011	221 011	225 808	225 808
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	430	430	430	441	441	441	2 286	2 286
No water supply		-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		430	430	430	441	441	441	2 286	2 286
Total number of households	5	215 004	215 004	215 004	221 452	221 452	221 452	228 094	228 094
Sanitation/sewerage:									
Flush toilet (connected to sewerage)		98 256	98 256	98 256	101 203	101 203	101 203	104 239	104 239
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-
Chemical toilet		8 600	8 600	8 600	8 858	8 858	8 858	9 123	9 123
Pit toilet (ventilated)		98 687	98 687	98 687	101 647	101 647	101 647	104 696	104 696
Other toilet provisions (> min.service level)		9 461	9 461	9 461	9 744	9 744	9 744	10 036	10 036
Minimum Service Level and Above sub-total		215 004	215 004	215 004	221 452	221 452	221 452	228 094	228 094
Bucket toilet		-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-
Total number of households	5	215 004	215 004	215 004	221 452	221 452	221 452	228 094	228 094
Energy:									
Electricity (at least min.service level)		210 704	210 704	210 704	217 025	217 025	217 025	223 535	223 535
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		210 704	210 704	210 704	217 025	217 025	217 025	223 535	223 535
Electricity (< min.service level)		-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-
Other energy sources		4 300	4 300	4 300	4 427	4 427	4 427	4 559	4 559
Below Minimum Service Level sub-total		4 300	4 300	4 300	4 427	4 427	4 427	4 559	4 559
Total number of households	5	215 004	215 004	215 004	221 452	221 452	221 452	228 094	228 094
Refuse:									
Removed at least once a week		90 302	90 302	90 302	93 011	93 011	93 011	95 801	95 801
Minimum Service Level and Above sub-total		90 302	90 302	90 302	93 011	93 011	93 011	95 801	95 801
Removed less frequently than once a week		-	-	-	-	-	-	-	-
Using communal refuse dump		4 945	4 945	4 945	5 093	5 093	5 093	5 245	5 245
Using own refuse dump		105 351	105 351	105 351	108 511	108 511	108 511	111 766	111 766
Other rubbish disposal		8 600	8 600	8 600	8 858	8 858	8 858	9 123	9 123
No rubbish disposal		5 806	5 806	5 806	5 979	5 979	5 979	6 159	6 159
Below Minimum Service Level sub-total		124 702	124 702	124 702	128 441	128 441	128 441	132 293	132 293
Total number of households	5	215 004	215 004	215 004	221 452	221 452	221 452	228 094	228 094
Households receiving Free Basic Service	7								
Water (6 kilolitres per household per month)		98 256	98 256	98 256	101 203	101 203	101 203	104 239	104 239
Sanitation (free minimum level service)		98 256	98 256	98 256	101 203	101 203	101 203	104 239	104 239
Electricity/other energy (50kwh per household per month)		9 000	8 927	8 927	6 544	6 544	6 544	6 544	6 544
Refuse (removed at least once a week)		9 000	8 927	8 927	6 544	6 544	6 544	6 544	6 544
Informal Settlements		29,752	29,752	29,752	29,752	29,752	29,752	29,752	29,752
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)		23 226	24 193	24 941	25 981	25 981	25 981	27 540	27 540
Sanitation (free sanitation service to indigent households)		23 226	24 193	24 941	25 981	25 981	25 981	27 540	27 540
Electricity/other energy (50kwh per indigent household per month)		76 859	80 061	84 275	86 803	86 803	86 803	90 275	90 275
Refuse (removed once a week for indigent households)		44 614	45 994	47 910	49 826	49 826	49 826	51 819	51 819
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		156 717	164 965	173 648	178 857	178 857	178 857	187 800	187 800
Total cost of FBS provided	8	324 640	339 406	355 715	367 448	367 448	367 448	384 974	384 974
Highest level of free service provided per household									
Property rates (R value threshold)		125 000	125 000	125 000	125 000	125 000	125 000	125 000	125 000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		6	6	6	6	6	6	6	6
Sanitation (Rand per household per month)		6	6	6	6	6	6	6	6
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50
Refuse (average litres per week)		1	1	1	1	1	1	1	1
Revenue cost of subsidised services provided (R'000)	9								
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)		-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA		73 752	103 528	117 406	105 872	105 872	105 872	126 322	133 901
Water (in excess of 6 kilolitres per indigent household per month)		61 022	63 564	66 910	70 255	70 255	70 255	73 066	73 066
Sanitation (in excess of free sanitation service to indigent households)		2 067	2 176	2 291	2 359	2 359	2 359	2 477	2 477
Electricity/other energy (in excess of 50 kwh per indigent household per month)		53 274	55 494	58 414	60 167	60 167	60 167	61 972	61 972
Refuse (in excess of one removal a week for indigent households)		29 918	31 827	33 503	35 513	35 513	35 513	37 999	37 999
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided	6	220 033	256 590	278 524	274 167	274 167	274 167	301 835	309 415
									318 788

PART 2 – SUPPORTING DOCUMENTATION

2.1 2026/2027 OVERVIEW OF THE ANNUAL BUDGET PROCESS

Section 53 of the MFMA requires the Mayor of the City to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the City must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the City meeting under the chairpersonship of the MMC for Finance.

The primary aim of the Budget Steering Committee is to ensure:

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

2.1.1 IDP/Budget process overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2018) a time schedule that sets out the process to revise the IDP and prepare the budget.

The process that was followed to guide the review of the City of Mbombela's 2026/2027 financial year involved various phases which had their respective outcomes. The phases include preparation, analysis, strategies, projects, integration and approval phases

(a) Planning Phase

The City of Mbombela Municipal Council, under Council adopted an IDP/budget Process Plan on the 31st of August 2025. The IDP/budget Process Plan outlined the legislative framework, institutional structures to guide, manage and monitor the IDP Review processes, mechanisms for community participation as well as key deadlines of the activities that led to the finalisation of the IDP for the 2025/206 financial year.

The Process Plan was developed in line with the Ehlanzeni District Municipality's IDP Framework Plan adopted for the entire district after consultations with the local municipalities, including the City of Mbombela.

The Process Plan was advertised on the Mpumalanga News in order to give notice to the affected stakeholders and the community members. The Process Plan was also placed on the Municipality's website and placed in all the Regional Service Centres of the Municipality. Briefing sessions on the adopted IDP Process Plan were also held with the various stakeholders including Ward Committees, Traditional Leadership and organised business such as Mbombela Economic Development Partnership (MEDP), Kruger Lowveld Chamber of Business and Tourism (KLCBT), Sappi-Lomati, Barberton Mines, South Africa Property Owners Association (SAPOA), BATOBIC, etc.

(b) Analysis Phase

During this phase, it was critical for the municipality to understand the current existing situation within the municipal area. An in depth diagnostic assessment was done by the Municipality in relation to the levels of development, service delivery gaps or challenges, causes of existing problems, identification of priority issues (issues that needed to be addressed first), and available resources to help deal with identified challenges or problems.

Sources of information that were used as baseline include annual reports, mid-year performance report, Service Delivery and Budget Implementation Plan (SDBIP) quarterly reports, StatsSA Community Survey 2016, and SERO reports. Sector plans were also used to inform the planning of the IDP in terms what programmes or projects needs to be implemented to address the service delivery gaps within the municipal area. The GIS system was also used in identifying communities that do not have access to municipal basic services within the municipal area. The information obtained through this process helped the municipality to identify priority issues according to the Municipality's perspective. A further prognosis was done in terms of the internal institutional gaps or needs (i.e. shortage of staff, governance issues, etc.) as well as internal resources (revenue generation capacity, ICT infrastructure, etc.) that may assist in addressing the identified priority issues.

(c) Strategy Phase

The City of Mbombela had its strategic planning sessions to devise means to respond to the priority issues identified during the analysis phase. Departmental strategic planning sessions were held from November/December 2025. Departments reviewed their strategies and objectives taking into consideration the results of the internal assessment of the Municipality. Furthermore, departments identified programmes and projects which might be critical to respond to the ward priorities as well as the institutional needs.

(d) Project Phase

The project phase involved Municipal Departments designing programmes and projects with clear targets and indicators which are specific, measurable, achievable, realistic and time-bound. The location, beneficiaries, as well as project costing was also done. These programmes and projects were informed by the ward priorities, the Municipality Vision 2030, sector plans, policy imperatives and planning requirements from the national and provincial spheres of government.

The programmes and projects devised also gave effect to national priorities as pronounced during the State of the National Address (SONA) and State of the Province Address (SOPA) respectively.

(e) Integration Phase

During this phase, the Municipality held institutional Technical Lekgotla chaired by the Municipal Manager in December 2025 and Mayoral Lekgotla chaired by the Executive Mayor in February 2026. The aim of these sessions was to align and integrate departmental programmes and projects as well as to devise interventions that will assist in the attainment of the Municipality's programmes/projects objectives and outcomes that responds to the IDP priorities. The aim was also to ensure that all efforts are directed towards the realisation of the Municipality long-term plan (i.e. City of Mbombela Vision 2030).

During this phase, the Municipality aligned its five year programs with its financial resources (Budget/MTREF) and also with its performance management system. During this phase, an operational plan (SDBIP) was also developed to track performance on planned activities in relation to budgeted projects.

Sessions with sector departments were also held, through platforms created by Ehlanzeni District Municipality (EDM) and Provincial Department of Cooperative Governance and Traditional Affairs (COGTA), to integrate programmes and projects of all the local municipalities in Ehlanzeni district with that of the provincial and national sector departments, as well as state-owned enterprises (SOE's) such as ESKOM and other private companies i.e. Barberton Mines, etc. Hence, projects from provincial and national sector departments, private sector and state parastatals are also incorporated in this reviewed IDP. This was to ensure that there is vertical alignment of plans and programs aimed at achieving national and provincial policy imperatives, strategies and plans (i.e. National Development Plan, Medium-Term Strategic Framework, Mpumalanga Province Vision 2030, Mpumalanga Economic Development Path, etc.).

(f) Public Participation and consultative process

As part of the consultative process, the municipality will embark in public participation process on the draft budget, also have a benchmark engagement meeting with the National Treasury on the 12 of May 2026. The benchmark engagement exercise will be conducted by the National Treasury with an objective of assessing the credibility of the draft IDP and budget adopted by the municipal council.

Approval Phase

The final 2026/2027 IDP and Budget will be tabled before council for approval on the 29 May 2026. The notice will be advertised on local print media in June 2026. Moreover, the documents will be placed on the municipal website, in all the 4 Regions of the City i.e Head Office, Central, Northern, Southern, Eastern and in all Libraries on the 14 June 2026 for public awareness on the approved IDP and Budget.

2.1.2 IDP and service delivery and budget implementation plan

It started in August 2025 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2026/2027 MTREF.

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

- (a) Registration of community needs;
- (b) Compilation of departmental business plans including key performance indicators and targets;
- (c) Financial planning and budgeting process;
- (d) Public participation process;
- (e) Compilation of the SDBIP, and
- (f) The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2026/2027 MTREF, based on the approved 2025/2026 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2026/2027 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2025/2026 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

2.1.3 Financial modelling and key planning drivers

As part of the compilation of the 2026/2027 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2026/2027 – 2028/2029 annual budget and MTREF:

- (a) City's growth

- (b) Policy priorities and strategic objectives
- (c) Asset maintenance
- (d) Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns)
- (e) Performance trends
- (f) The approved 2025/2026 adjustments budget and performance against the SDBIP
- (g) Cash Flow Management
- (h) Debtor payment levels
- (i) Loan and investment possibilities
- (j) The need for tariff increases versus the ability of the community to pay for services
- (k) Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars in relation to municipal budget process has been taken into consideration in the planning and prioritisation process.

2.1.4 Community consultation

Chapter 4 of the Municipal Systems Act states that municipalities must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must encourage, and create conditions for the local community to participate in the affairs of the City including the preparation, implementation and review of its IDP, Budget and Performance Management System. It furthermore states that participation by the local community must take place through Political Structures, Ward Committees and Councilors. In compliance to this, MLM has adopted Public participation policy, Community Based Planning policy and policy on Ward

2.1.5 Committees and participation

The participation of communities is driven through a Ward Committee based System managed by the Public Participation Unit under the Office of the Speaker and the IDP Representative Forum. The central role of Ward Committees is to facilitate local community participation in decisions which affect the local community, to articulate local community interests and to represent these interests within the municipal governing structures. City's public participation process comprises of registration of ward needs, specific Ward Imbizo(s) and participation sessions and comments on the IDP.

Key to the participation process is a Needs Database developed per ward and managed by the Office of the Executive Mayor and Municipal Manager through the Strategic Management Services department (IDP Unit). This database comprises of an inventory of development issues and needs recorded in each of the wards in the City of Mbombela over a number of years. This Needs Database serves as the basis for community consultation and participation in the City and as inputs to the Departmental Business Planning process. During each annual IDP review process, Ward Committees and Ward Councilors are given an opportunity to update the priority issues and needs for their specific ward areas. This process takes place at the beginning of the revision process. The updated Needs Database informs the business plan formulation process conducted by various line functional departments of the City.

All documents in the appropriate format (electronic and printed) will be provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA.

2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH THE IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a City to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the City and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the City.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the City, issues of national and provincial importance should be reflected in the IDP of the City. A clear understanding of such intent is therefore imperative to ensure that the City strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the City's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- (a) Green Paper on National Strategic Planning of 2009;
- (b) Government Program of Action;
- (c) Development Facilitation Act of 1995;
- (d) Provincial Growth and Development Strategy (GGDS);

- (e) National and Provincial spatial development perspectives;
- (f) Relevant sector plans such as transportation, legislation and policy;
- (g) National Key Performance Indicators (NKPIs);
- (h) Accelerated and Shared Growth Initiative (ASGISA);
- (i) National 2014 Vision;
- (j) National Spatial Development Perspective (NSDP); and
- (k) The National Priority Outcomes.

2.2.1 National priorities

The President on his 2026 State of the Nation Address mentioned three national priorities which should be embedded by all spheres of government on the planning and budgeting processes for the medium-term. The government has introduced a Medium term Development Plan which set out a clear and ambitious programme for the next five years. The actions contained in the Medium Term Development Plan will advance the following three strategic priorities

- (a) Driving inclusive growth and job creation
- (b) Reducing poverty and tackling the high cost of living
- (c) Building a capable, ethical and developmental state.

To achieve this national priority, municipalities are urged when drafting 2026/2027 budgets to explore opportunities to mainstream labour intensive approaches to delivering services, and more particularly to participate fully in the EPWP. The City ought to focus on maximizing its contribution to job creation by;

- (a) Ensuring that service delivery and capital project use labour intensive methods wherever appropriate.
- (b) Ensuring that service providers use labour intensive approaches.
- (c) Supporting labour intensive LED projects.
- (d) Participating fully in the EPWP/National youth service plan NYDP.
- (e) Implementing interns programs to provide young people with on-the-job training

The Constitution requires local government to relate its management, budgeting and planning functions to achieve its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a City must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's seven strategic objectives for the 2026/2027 MTREF and further planning refinements that have directly informed the compilation of the budget:

2.2.2 IDP strategic objectives

The City's development priority and objectives

IDP Development priority	IDP Development objective
Institutional development and transformation	- To build strong sustainable governance and institutional structures and arrangements - To redefine strategic macro leadership and coordination structures involving the local, district, provincial and national government
Infrastructure and sustainable services	To strengthen the delivery of basic services and ensure sustainable integrated human settlement supported by infrastructure development
Rural Development	- To strengthen the delivery of basic services and ensure sustained integrated human settlement supported by infrastructure development - To formulate a broad over-arching human capital and community development
Economic development	To initiate a strong and sustainable local/regional economic development potential and sustainable environmental management
Financial management and viability	To ensure legally sound financial viability and management
Human capital and community development	To formulate a broad over-arching human capital and community development
2010 Legacy and Flagship projects concept	- To initiate a strong and sustainable local/regional economic development potential and sustainable environmental management - To strengthen the delivery of basic services and ensure sustained integrated human settlement supported by infrastructure development - To formulate a broad over-arching human capital and community development

	• To build strong sustainable governance and institutional structures and arrangements • To redefine strategic macro leadership and coordination structures involving the local, district, provincial and national government
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In order to ensure integrated and focused service delivery between all spheres of government it was important for the City to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the seven strategic objectives:

Alignment of City of Mbombela's IDP priorities with National, Provincial and District Priorities

MILLENNIUM DEVELOPMENT GOALS	IDP PRIORITIES- MUNICIPAL RESPONSE
Develop a Global Partnership for Development	➤ 2010 legacy and flagship projects ➤ Human capital and community development
Eradicate extreme poverty and hunger	➤ Infrastructure & sustainable services ➤ Human capital and community development ➤ Economic development ➤ Rural development
Combat HIV/AIDS, malaria and other diseases	➤ Human capital and community development ➤ 2010 legacy and flagship projects ➤ Economic development
Ensure environmental sustainability	➤ 2010 legacy and flagship projects
Promote gender equality and empower women	➤ Human capital and social development ➤ 2010 legacy and flagship projects
NATIONAL PRIORITIES	IDP PRIORITIES- MUNICIPAL RESPONSE
Corruption	➤ 2010 legacy and flagship projects
Education	➤ Human capital and community development
Health	➤ 2010 legacy and flagship projects

The fight against crime	➤ 2010 legacy and flagship projects ➤ Rural development
Creation of decent work & sustainable livelihoods	➤ Economic development ➤ Infrastructure & sustainable services ➤ 2010 legacy and flagship projects ➤ Rural development
Rural development, food security & land reform	➤ Economic development ➤ Infrastructure & sustainable services ➤ Human capital and community development ➤ Rural development
PROVINCIAL PRIORITIES	IDP PRIORITIES- MUNICIPAL RESPONSE
Agriculture	➤ Human capital and community development ➤ Economic development ➤ Rural development
Skills	➤ Human capital and community development ➤ Institutional development & transformation ➤ Infrastructure & sustainable services
Economic growth & job creation	➤ Economic development ➤ 2010 legacy and flagship projects ➤ Rural development
Strategic infrastructure	➤ 2010 legacy and flagship projects ➤ Infrastructure & sustainable services
Tourism, Environment & Cultural Heritage	➤ Human capital & community development ➤ Flagship projects ➤
Social cohesion	➤ Human capital and community development ➤ 2010 legacy and flagship projects
DISTRICT PRIORITIES	IDP PRIORITIES- MUNICIPAL RESPONSE
Basic service and infrastructure development	➤ Infrastructure & sustainable services
Local economic development	➤ Economic development ➤ 2010 legacy and flagship projects
Institutional transformation and development	➤ Institutional development and transformation ➤ 2010 legacy and flagship projects

Financial viability and management	➤ 2010 legacy and flagship projects ➤ Financial management and viability
Public participation and good governance	➤ Institutional development and transformation ➤ 2010 legacy and flagship projects
Traditional leaders	➤ Human capital and community development ➤ 2010 legacy and flagship projects

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the City. The five-year programme responds to the development challenges and opportunities faced by the City by identifying the key performance areas to achieve the seven strategic objectives mentioned above.

In addition to the five-year IDP, the City undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the City so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the City's IDP, associated sectoral plans and strategies, and the allocation of resources of the City and other service delivery partners.

This development strategy introduces important policy shifts which have further been translated into six strategic focus areas/objectives as outlined below:

- (a) To initiate a strong and sustainable Local/Regional Economic Development Potential and Sustainable Environmental Management
- (b) To Strengthen the Delivery of Basic Services and ensure Sustained Integrated Human Settlement supported by Infrastructure Development
- (c) To formulate a Broad Over-arching Human Capital and Community Development
- (d) To build strong sustainable governance and institutional structures and arrangements
- (e) To ensure legally sound financial viability and management
- (f) To redefine strategic macro leadership and coordination structures involving the Local, District, Provincial and National Government

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the revision of the IDP, including:

- (a) During the consultation, communities were given an opportunity to identify key priority needs and suggest solutions;
- (b) Diverse developmental needs in areas within each ward were noted during the Analysis phase
- (c) Poor attendance in some wards during the consultation meetings has negative effects;

- (d) Consultation with communities for their needs is not the analysis of needs; analysis requires further research, evaluation and a decision making process;
- (e) Communities should be provided with maps of their areas during consultation process to assist the City in mapping social needs;
- (f) Government departments and parastatals are not attending IDP meetings even though they are invited;
- (g) Upon the approval of the IDP and Budget, each ward should receive information of all projects/ programs across the three spheres of government and other stakeholders that will be implemented in their respective wards;
- (h) There is a need for an organized consultation process with sector departments from both the City and district perspective.

The 2026/2027 – 2028/2029 final budget and MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

MP326 City of Mbombela - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)													
Strategic Objective	MTDP Service Outcome	IUDF	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29	
R thousand													
TECHNICAL SERVICES				–	–	–	–	–	–	–	–	–	
LOCAL ECONOMIC DEVELOPMENT				8 596	6 827	6 365	5 197	5 297	5 297	–	–	–	
ENERGY				593 001	567 637	582 618	31	515 640	515 640	2 346 571	2 315 517	2 458 598	
WATER AND SANITATION				(3 924)	(2 980)	(3 162)	–	57	57	816 187	1 374 961	1 501 774	
PUBLIC SAFETY				(1 198)	(1 280)	–	–	–	–	3 550	5 621	6 175	
PUBLIC WORKS, ROADS AND TRANSPORT				–	–	–	–	–	–	2 537	2 613	2 691	
COMMUNITY SERVICES				335 578	364 282	371 453	364 882	371 020	371 020	393 240	236 750	224 275	
REGIONAL CENTRE CO-ORDINATION				845	746	815	507	833	833	18 146	11 116	11 228	
LEGAL SERVICES				1 489 340	1 777 882	1 989 010	2 904 605	2 823 001	2 823 001	–	–	–	
FINANCIAL MANAGEMENT				1 328 322	1 354 484	1 327 882	1 435 760	1 618 594	1 618 594	1 465 740	1 405 713	1 483 555	
STRATEGIC MANAGEMENT SERVICES				74	71	71	–	71	71	79	87	96	
CORPORATE SERVICES				6 813	1 673	5 655	17 001	4 799	4 799	12 275	12 787	13 322	
DEPARTMENT CITY PLANNING AND DEVELOPMENT				11 455	12 389	19 609	17 961	59 295	59 295	53 855	66 154	71 767	
DEPARTMENT MUNICIPAL MANAGER				9 158	25 479	9 151	18 572	9 831	9 831	–	–	–	
OFFICE OF COUNCIL				–	1 278	1 329	–	–	–	–	–	–	
COUNCIL				–	–	6	11	(0)	(0)	(0)	(0)	(0)	
Allocations to other priorities				2									
Total Revenue (excluding capital transfers and contributions)				1	3 778 059	4 108 488	4 310 803	4 764 528	5 408 437	5 408 437	5 112 180	5 431 318	5 773 480

MP326 City of Mbombela - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand										
Allocations to Other Priorities		-	-	-	-	-	-	-	-	-
TECHNICAL SERVICES		2 858	2 453	1 933	2 692	3 177	3 177	-	-	-
LOCAL ECONOMIC DEVELOPMENT		34 594	44 941	40 051	68 715	68 790	68 790	84 168	39 911	-
ENERGY		33 390	20	31 738	-	-	-	1 767 977	1 960 232	2 097 697
WATER AND SANITATION		72 155	-	46 142	-	-	-	652 924	687 482	690 848
PUBLIC SAFETY		40 305	2 210	(536)	-	-	-	284 860	291 848	295 003
PUBLIC WORKS, ROADS AND TRANSPORT		16 100	0	-	-	-	-	306 599	299 286	350 182
COMMUNITY SERVICES		663 223	719 764	816 365	674 153	746 134	746 134	431 936	444 246	441 148
REGIONAL CENTRE CO-ORDINATION		107 141	135 003	155 599	81 582	102 665	102 665	96 480	94 319	95 552
LEGAL SERVICES		2 284 862	2 697 514	2 751 745	2 667 622	2 732 421	2 732 421	-	-	-
FINANCIAL MANAGEMENT		698 498	513 902	510 284	423 083	595 880	595 880	564 985	567 654	552 083
STRATEGIC MANAGEMENT SERVICES		54 493	59 504	63 993	65 994	68 881	68 881	63 554	65 365	51 905
CORPORATE SERVICES DEPARTMENT		191 096	206 815	221 040	151 665	174 116	174 116	159 692	161 181	186 745
CITY PLANNING AND DEVELOPMENT DEPARTMENT		86 053	68 581	89 589	71 148	77 352	77 352	92 727	95 315	97 244
MUNICIPAL MANAGER		134 843	142 319	141 353	71 862	66 670	66 670	52 378	52 717	51 486
OFFICE OF COUNCIL		11 430	7 019	7 560	-	-	-	-	-	-
COUNCIL		74 406	86 634	77 351	79 583	82 014	82 014	77 369	78 412	80 436
Allocations to other priorities										
Total Expenditure	1	4 505 446	4 686 678	4 954 208	4 358 098	4 718 098	4 718 098	4 635 649	4 837 968	4 990 330

MP326 City of Mbombela - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	MTDP Service Outcome	IUDF	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand												
TECHNICAL SERVICES				-	0	-	-	-	-	-	-	-
LOCAL ECONOMIC DEVELOPMENT				-	-	-	-	-	-	-	-	-
ENERGY				12 252	6 504	-	-	-	-	66 624	42 815	53 403
WATER AND SANITATION				9 273	926	-	-	-	-	63 500	136 000	199 926
PUBLIC SAFETY				14	-	-	-	-	-	-	-	-
PUBLIC WORKS, ROADS AND TRANSPORT				-	-	-	-	-	-	514 428	513 922	348 161
COMMUNITY SERVICES				286	2 237	2 807	17 700	16 100	16 100	-	-	-
REGIONAL CENTRE CO-ORDINATION				1 703	816	329	7 000	14 650	14 650	-	-	-
LEGAL SERVICES				207 167	187 750	709 837	678 484	734 048	734 048	4 000	-	-
FINANCIAL MANAGEMENT				12 506	24 915	38 144	11 750	25 100	25 100	63 000	-	55 000
STRATEGIC MANAGEMENT SERVICES				-	-	-	-	-	-	-	-	-
CORPORATE SERVICES DEPARTMENT				801	6 451	42 643	6 000	9 917	9 917	10 000	-	-
CITY PLANNING AND DEVELOPMENT DEPARTMENT				-	-	-	-	-	-	-	-	-
MUNICIPAL MANAGER				-	-	-	-	-	-	-	-	-
OFFICE OF COUNCIL				-	-	-	-	-	-	-	-	-
COUNCIL				-	-	-	-	-	-	-	-	-
Allocations to other priorities			3									
Total Capital Expenditure			1	244 001	229 598	793 761	720 934	799 816	799 816	721 552	692 737	656 490

2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

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

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

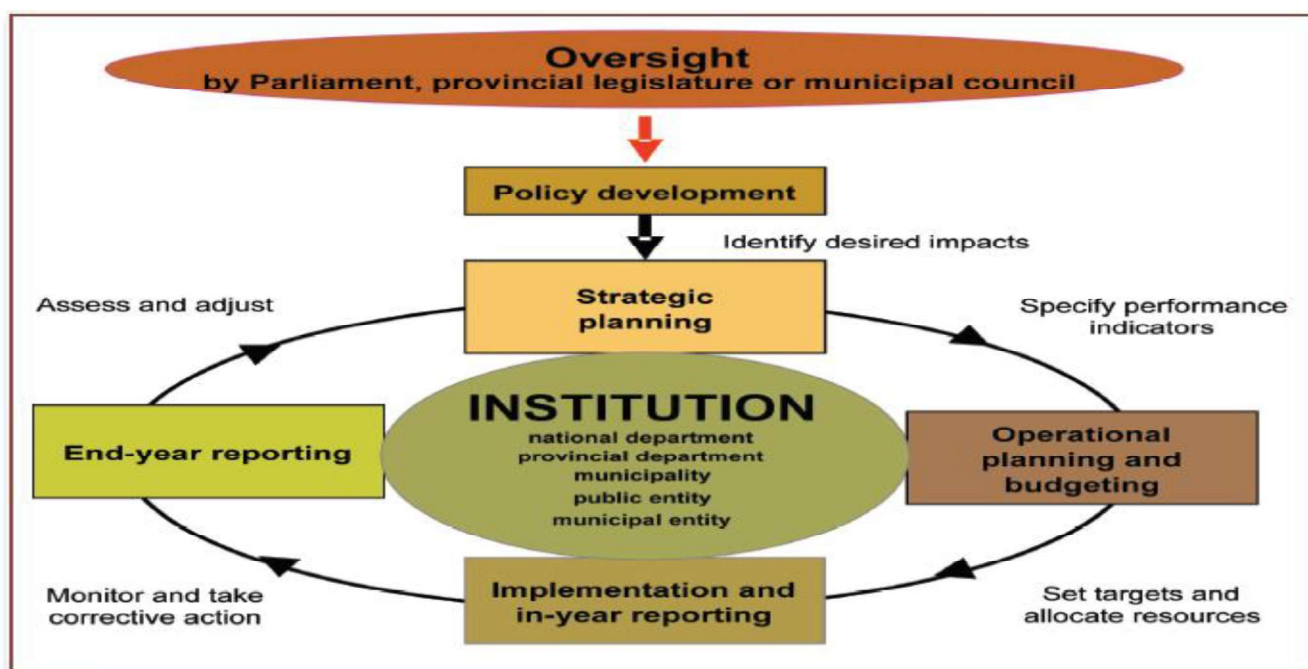


Figure 1 Planning, budgeting and reporting cycle

The performance of the City relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The City therefore has adopted one integrated performance management system which encompasses:

- (a) Planning (setting goals, objectives, targets and benchmarks);
- (b) Monitoring (regular monitoring and checking on the progress against plan);
- (c) Measurement (indicators of success);
- (d) Review (identifying areas requiring change and improvement);

(e) Reporting (what information, to whom, from whom, how often and for what purpose); and
(f) Improvement (making changes where necessary).
The performance information concepts used by the City in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury.

The following table sets out the City's main performance objectives and benchmarks for the 2026/2027 MTREF.

MP326 City of Mbombela - Supporting Table SA8 Performance indicators and benchmarks											
Description of financial indicator	Basis of calculation	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<u>Borrowing Management</u>											
Credit Rating					Baa1 za	Baa1 za	Baa1 za	0			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	3,5%	3,1%	3,4%	2,1%	0,7%	0,7%	0,6%	1,3%	1,3%	1,3%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	4,1%	3,6%	4,0%	2,0%	0,6%	0,6%	0,5%	1,1%	1,1%	1,2%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0,0%	-1,7%	-0,3%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	0,3	0,5	0,4	1,0	0,9	0,9	1,1	1,6	2,0	2,4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0,3	0,5	0,4	1,0	0,9	0,9	1,1	1,6	2,0	2,4
Liquidity Ratio	Monetary Assets/Current Liabilities	0,2	0,4	0,3	0,8	0,7	0,7	0,4	1,1	1,4	1,6
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0,0%	143,7%	134,4%	136,3%	140,1%	143,0%	143,0%	136,6%	133,7%	135,8%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		143,7%	134,4%	136,3%	140,1%	143,0%	143,0%	136,6%	133,7%	135,8%	136,8%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	13,1%	15,4%	16,8%	11,9%	10,8%	10,8%	13,8%	22,3%	21,5%	20,5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Creditors to Cash and Investments		-633,3%	-77,4%	-1765,8%	592,5%	713,4%	713,4%	33,1%	818,9%	615,0%	478,9%
<u>Other Indicators</u>											
	Total Volume Losses (kW) technical	0	0	0	0	0	0	0	0	0	0
	Total Volume Losses (kW) non technical										
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)	-	-	-	-	-	-	-	-	-	-
	% Volume (units purchased and generated less units sold)/units purchased and generated	-	-	-	-	-	-	-	-	-	-
Water Volumes :System input	Bulk Purchase										
	Water treatment works										
	Natural sources										
	Total Volume Losses (kℓ)	-	-	-	-	-	-	-	-	-	-
	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated	-	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	32,3%	32,3%	32,3%	27,0%	23,9%	23,9%	28,2%	26,8%	26,2%	25,6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	34,0%	33,8%	33,8%	28,4%	25,1%	25,1%	30,5%	28,1%	27,5%	26,9%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	9,9%	11,3%	7,3%	4,7%	9,1%	9,1%	8,6%	7,9%	6,9%	6,9%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	18,7%	17,4%	12,4%	17,6%	12,6%	12,6%	8,6%	14,4%	15,7%	14,8%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	453,8	481,0	153,6	144,3	163,5	356,5	128,7	124,6	117,6	125,0
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	11,9%	17,7%	20,8%	11,2%	11,3%	11,3%	32,3%	33,2%	32,0%	30,1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	(1,3)	(8,2)	(0,5)	0,7	0,6	0,6	3,8	0,4	0,4	0,4

2.3.1 Financial performance indicators and benchmarks

(a) Borrowing management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a City to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, City of Mbombela borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the City's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2026/2027 MTREF.

Borrowing to asset ratio is a measure of the long-term borrowing as a percentage of the total asset base of the City. It can be noted that the borrowing asset ratio of City of Mbombela is stable for the medium term. The city is currently participating in the debt relief programme and is not eligible to make any borrowing commitment.

Capital charges to operating expenditure are a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing is zero decreased significantly due to the fact that there's no borrowing anticipated to fund the 2026/2027 capital expenditure.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the City. In particular, the continued ability of the City to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs. As part of the compilation of the 2026/2027 MTREF the potential of smoothing out the debt profile over the longer term will be investigated.

(b) Safety of Capital

The debt-to-equity ratio is a financial ratio indicating the relative proportion of equity and debt used in financing the City's assets. The indicator is based on the total of loans, creditors, and overdraft and tax provisions as a percentage of funds and reserves.

(c) Liquidity

Current ratio is a measure of the current assets divided by the current liabilities and as a benchmark the City has set a limit of 1, hence at no point in time should this ratio be less than 1. The current city's liabilities far exceed its current assets and more work need to be done to remedy this situation.

The liquidity ratio is a measure of the ability of the City to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the City should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which

should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations

(d) Revenue Management

As part of the financial sustainability strategy, the City will revise its revenue enhancement strategy and theme of the strategy is, “let us make revenue management everyone’s business in the City” we believe that through the aggressive implementation of the strategy framework, the financial stability in the short-term and sustainability in the long-term will be achieved. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, and credit control and debt collection.

(e) Creditors Management

The City will continue to work to ensure that creditors are settled within the legislated 30 days of invoice. While the liquidity ratio is of concern, by applying daily cash flow management the City has managed to ensure a 90 per cent compliance rate to this legislative obligation. This will have at least a favourable impact on suppliers’ perceptions of risk of doing business with the City, which is expected to benefit the City in the form of more competitive pricing of tenders, as suppliers compete for the City’s business.

2.3.2 Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the City. With the exception of water, only registered indigents qualify for the free basic services.

In terms of the City’s indigent policy registered households are entitled to 6kℓ free water, 50 kwh of electricity, 6 kℓ sanitation and free waste removal equivalent to 85ℓ once a week, as well as a discount on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table A10 (Basic Service Delivery Measurement) .

Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes, water tankers, etc) are not taken into account in the table noted above.

2.3.3 Providing clean water and managing waste water

The Department of Water Affairs conducts an annual performance rating of water treatment works, presenting a Blue Drop or Green Drop award respectively to potable water treatment works and waste water treatment works that meet certain criteria of excellence.

The following is briefly the main challenges facing the City in this regard:

- (a) The infrastructure at most of the waste water treatment works is old and insufficient to treat the increased volumes of waste water to the necessary compliance standard;
- (b) Shortage of skilled personnel makes proper operations and maintenance difficult;
- (c) Electrical power supply to some of the plants is often interrupted which hampers the purification processes; and
- (d) There is a lack of proper regional catchment management, resulting in storm water entering the sewerage system.

The following are some of the steps that have been taken to address these challenges:

- (a) Infrastructure shortcomings are being addressed through the capital budget in terms of a 5-year upgrade plan;
- (b) The filling of vacancies has commenced and the Waste Water Division will embark on an in-house training program, especially for operational personnel;
- (c) The Electricity Division is to install dedicated power supply lines to the plants; and
- (d) The Division is working in consultation with the Department of Water Affairs to address catchment management.
- (e) Updating the infrastructure plan of the City.

OVERVIEW OF BUDGET RELATED-POLICIES

As required by law, the budgeting process is guided and governed by relevant legislations, framework and policies, all the budget related policies must be reviewed annually. Any amendments, additions or deletions have been tabled to Council on the 31 March 2026 as draft policies.

The City has tabled the following Budget Related policies for the financial year 2026/2027;

2.4.1 Virement policy

This is a policy that is developed to manage the shifting of funds within and between departments during a financial year. Its main objective is to give guidance to all relevant stakeholders on how to shift and manage funds within their budgets as per approved delegation of powers.

The Municipal Budget and Reporting Regulations (No 3241), Circular 51 and 89 issued by National Treasury serve as guidelines in the implementation of this policy to enable the tracking and reporting of the shifting of funds.

2.4.2 Budget policy

The budget policy deals mainly with all budget related matters. The objective of the budget policy is to set out the principles which the City will follow in preparing each medium term revenue and expenditure framework budget, to outline the responsibilities of the executive mayor, the accounting officer, the chief financial officer and other senior managers in compiling the budget and to establish and maintain procedures to ensure adherence City of Mbombela's IDP review and budget processes.

2.4.3 Credit control and debt collection policy and by-laws

The policy is required in terms of chapter 9 of the Municipal Systems Act (MSA) no 32 of 2000 (s 95, 96, 97 and 98). A policy must be developed in order to provide for a mechanism on which credit control and debt collection measures will be effected. The guidelines required by the Act in terms of s 97(1)(a) – (i) is clearly indicated in the policy.

Section 98 of the MSA further requires that Council must adopt by laws to give effect to the policy, its implementation and enforcement.

The objectives of the policy are to;

- (a) Provide a framework within the municipal council can exercise its executive and legislative authority with regard to credit control and debt collection.

- (b) Ensure that all monies due and payable to the municipality are collected and used to deliver municipal services in the best interests of the community, residents and ratepayers and in a financially sustainable manner.
- (c) Outline the procedures that will ensure that the members of the local community is afforded the opportunity to contribute in the decision making processes of the municipality and that they are informed of the decisions and affairs of the municipality.
- (d) Outline credit control and debt collection policy procedures and mechanisms.

Proposed amendments

The following amendments were approved for 2026/2027 financial year.

(i) Credit Control and Debt Collection Policy (Litigation enforcement)

The following amendments are proposed for 2026/ 2027 financial year.

- (a) When a debtor is 90 days in arrears, commence legal process against that debtor, which process could involve final demands, summonses, judgments, garnishee and emolument attachment orders, financial enquiries and/or sales in execution of movable and immovable property, subject to the provisions of the National Credit Act, 2005.
- (b) All steps in the credit control procedure to be recorded for Council's records and for the information of the debtor.
- (c) All costs of this process are for the account of the customer.
- (d) Individual customer accounts are protected and are not the subject of public information. Council may release debtor information to credit bureaus and other institutions lawfully entitled to such information.
- (e) Council may consider the use of agents, innovative debt collection methods and products. Cost effectiveness, the willingness of agents to work under appropriate codes of conduct and the success of such agents and products will be part of the agreement.
- (f) Agreement concluded with an agent or product vendor shall include a clause whereby breaches of the code of conduct by the agent or vendor will see the contract terminated

(ii) Credit Control and Debt Collection Policy (Rates Clearance and s118)

- (a) When receipt of request for clearance figures from the conveyancers, and / or the seller(s), the municipality shall initiate the transfer process.

- (b) The clearance figures in line with s118(1) and s118(3) of the Municipal Systems Act will be provided for information and processing of the transfer.
- (c) In instances wherein there is no historical debt in terms of s118(3), a clearance certificate in line with s118(1) will be issued.
- (d) In instances wherein there is a historical debt, in terms of s118(3), an acknowledgement of debt, must be entered into between the municipality and the seller.
- (e) The acknowledgement of debt as per 5.5.4 above, must be completed as part of the application process.
- (f) The acknowledgement of debt must be co-signed by the conveyancer for the seller.
- (g) If the acknowledgement of debt is not entered, and historical debt in terms of s118(3) exists, the municipality will initiate legal proceedings in line with s5.14

(iii) Credit Control and Debt Collection Policy (Annual Review)

- (a) Implement the 1.5 percent Payment Incentive Scheme in the financial year 2026-2027 for accounts paid in full by the first of every month as per clause 4.10A
- (b) Implement the interest waiver incentive settlement scheme for overdue accounts paid within a period of six months be included for the 2026 - 2027 financial year, as per clause 4.10B
- (c) Review the charging of interest on amount due on accounts, after the due date, at the rate of prime +1, with effect from 01 July 2026, as per clause 5.1.2.1 and this is in line with applicable laws and regulations.
- (d) Ad-hoc 48-hour disconnection notices on overdue accounts will be issued by the Office of the Chief Financial Officer on an as and when required basis.
- (e) The period of notification for disconnection of notices be reviewed. Notices be issued for seven days (first notice) and three days (second notice), and disconnection thereafter.

(iv) s5.5 of the policy deals with rates clearances. (New inclusion)

- (i) Upon receipt of request for clearance figures from the conveyancers, and / or the seller(s), the municipality shall initiate the transfer process.
- (ii) The clearance figures in line with s118(1) and s118(3) of the Municipal Systems Act will be provided for information and processing of the transfer.
- (iii) In instances wherein there is no historical debt in terms of s118(3) , a clearance certificate in line with s118(1) will be issued.
- (iv) In instances wherein there is a historical debt, in terms of s118(3), an acknowledgement of debt, must be entered into between the municipality and the seller.
- (v) The acknowledgement of debt as per 5.5.4 above, must be completed as part of the application process.
- (vi) The acknowledgement of debt must be co-signed by the conveyancer for the seller.
- (vii) If the acknowledgement of debt is not entered into, and historical debt in terms of s118(3) exists, the municipality will initiate legal proceedings in line with s5.14

(a) Deceased estates

- (b) The Executor/executrix or representative of a Deceased Estate shall be liable for payment of all debts on the property.
- (c) Where neither an executor, executrix nor a representative has been appointed in the deceased estate of a property owner, the Chief Financial Officer may request an occupier or the occupiers on the property, to enter into a Service Agreement with the Municipality to ensure the continued supply of services to the property.
- (d) In accordance with this policy, failure to inform the Municipality that the property forms part of a deceased estate will result in the disconnection of services, until an executor, executrix or representative has been appointed.
- (e) Where a deceased estate is insolvent (liabilities exceed all assets) and a property is sold by the executor pursuant to Section 34 of the Administration of Deceased Estates Act, 1965 (Act 66 of 1965), the Municipality enjoys preferent creditor status in terms of Section 118 (1) of the Systems Act.
- (f) Accordingly, no revenue clearance certificate will be issued until all amounts assessed for the prescribed 2-year period, have been paid.

The balance of the debt will be dealt with as guided by credit control policy 4.2 (ii) g.

- (g) Where a deceased estate has not been wound up within a period of three (3) years, then the Municipality, without derogating from such other rights as may exist in law, may disconnect a Municipal service to the property, or review the provisions of any applicable Service Agreement.
- (h) The Municipality may conclude a Credit Arrangement with any person who wishes to settle a deceased person's debt or a portion thereof. This provision is intended to assist family members of a deceased person or an occupier of property that is vested in a deceased estate, to receive Municipal services pending the winding up of an estate.

(i) Prescription of debt

- (j) In terms of the prescription act 68 of 1969 dictate that debt prescribes when payment is not demanded, and legal action is not taken.
- (k) This is on condition that the municipality can provide reasonable evidence that during the prescription period ((3 (three) years for services, i.e. water and electricity consumption and 30 (thirty) years for property rates and availability of services charges) an attempt was made to contact the debtor.

Prescription does not apply if:

- (a) The debt is acknowledged;
- (b) Summons were issued and served;
- (c) The debt is within the prescription period as mentioned above.

2.4.4 Economic investment and promotion policy

The main objective of the policy is to provide a framework for the uniform development of incentives in City of Mbombela that will assist to:

- (a) Attract investment.
- (b) Return existing investment.
- (c) Stimulate and create job opportunities.
- (d) Support investment into IDP projects.

As per deliberations, it was agreed that proper enforcement of this policy will have positive and beneficial impact to the City. The proposed types of incentives were also look at it was then agreed that a phase in approach as per the provisions Municipal Property Rates Act No 6 of 2004. These provisions are outlined in the City of Mbombela Property Rates by Law in terms of section 9.4.1(b).

2.4.5 Investment policy

This policy gives effect to the requirements as set out on s 13(2) of the Municipal Finance Management Act no 56 of 2003 and the Municipal Investment Regulations (Gazette 2743) of April 2005. All investment related practices are guided by the implementation of this policy. It clearly outlines the roles and responsibilities of all role players in the management of the cash resources, deliberations will be during the workshop proposal for amendments will form part of the final budget.

No proposed amendments.

2.4.6 Funding and reserves policy

The policy is required in terms of Section 8 of the Local Government: Municipal Budget and Reporting Regulations which is in accordance with Section 17 and 168 of the Municipal Finance Management Act No. 56 of 2003.

The policy sets out the assumptions and methodology for estimating the following:

- (a) Projected billings, collections and all direct revenues.
- (b) Provision for revenue that will not be collected.
- (c) Funds that the municipality can expect from investments.
- (d) Proceeds the municipality can expect to receive from the transfer or disposal of assets.
- (e) Council's borrowing requirements.
- (f) Funds to be set aside in reserves.

No proposed amendments.

2.4.7 Indigent policy

The Department of Cooperative Governance and Traditional Authorities has issued a guideline on formulation of Indigent Policy. This guideline has been used in developing the Indigent Policy for City of Mbombela the policy was rationalized to accommodate former Umjindi and approved for implementation in terms item A(2) of 28 February 2017.

The objectives of the policy will be to ensure the following:

- (a) The provision of basic services to the community in a sustainable manner within the financial and administrative capacity of Council;
- (b) The financial sustainability of free basic services through the determination of appropriate tariffs that contribute to such sustainability through cross subsidisation
- (c) Establishment of a framework for the identification and management of indigent households including a socio –economic analysis and indigent exit strategy;
- (d) The provision of procedures and guidelines for the subsidisation of basic charges and the provision of free basic energy to indigent households
- (e) To enhance the institutional and financial capacity of the municipality to implement the policy

2.4.8 Subsistence and Travelling policy

The policy has been developed in terms of the Basic Conditions of Employment Act No 75 of 1997 Section 34(5)(a):

No proposed amendments.

2.4.9 Supply chain management policy

No proposed amendments

2.4.11 Contract management policy

This policy is linked to the supplier performance monitoring policy. It has been developed in terms of section 116(2) of the MFMA. The lack of proper contract management or consistent application of contract management necessitated the development of this policy

A dedicated unit in the SCM sub directorate with the assistance of the Legal Services within Council will be the key custodians of the policy. The Project Managers and user departments will in terms of the policy be accountable for the specific project whilst it is underway and will work closely with the Contract Management unit to ensure compliance to the policy.

No proposed amendments

2.4.12 Property rates policy and by law

(viii) Property Rates Policy and By-Law

- (d) The general rate for property rates is proposed to increase by 6% and the tariffs are as follows:

Category	Ratios	2025/2026	2026/2027
Residential Property	1:1	0.00928	0.00984
Agricultural Property	1:0.25	0.00232	0.00246
Business and Commercial Property	1:2.25	0.02088	0.02213
Industrial Property	1:2.25	0.02088	0.02213
Mining Property	1:2.25	0.02088	0.02213
Public Benefit Organization Owned Property and Use for Specified Public Benefit Activities (PBO)	1:0.25	0.00232	0.00246
Public Service Infrastructure (PSI)	1:0.25	0.00232	0.00246
State/ Government Owned Property and used for Public Service Purposes	1:2.75	0.02552	0.02705

- (e) The proposed amendment on rebates for retired property owners based on income levels.

Pensioners / Retirees Annual Household Income Threshold		
Current	Proposed	Rebate
R0 to R172 979	R0 to R172 979	100%
R172 980 to R216 224	R172 980 to R216 224	75%
R216 224 to R270 280	R216 224 to R270 280	50%
More than to R270 280	More than to R270 280	25%

- (f) Ownership of properties in estates, complexes and /or city improvement district areas (CID)

Qualifying Criteria:

- The cost of rendering and maintaining of internal community services should be incurred by residents or home owners Associations.

(g) The following amendments are proposed on the definitions as per below:

“Business and Commercial Property:

means in relation to a property:

- Property used for the activity of buying, selling, or trading in commodities or services and includes any office or other accommodation on the same property, the use of which is incidental to such activity;
- Property on which the administration of the business of private or public entities takes place;
- Property used for the provision of commercial accommodation;
- Property used for private education purposes which is an *exception* to the registered as NPO in terms of the applicable legislation;
- Property that does not fall into any other category of property.

“Commercial Accommodations”

means lodging, or board and lodging, in any house, flat, apartment, room, hotel, motel, inn, bed & breakfast, backpacker lodge, boarding house, residential holiday resort establishment, timeshare establishment, holiday accommodation, student accommodation, unit, chalet, tent, caravan, camping site or similar establishment which is regularly or systematically supplied but excludes a primary residential property.

“Industrial Property”

means property used for a branch of trade or manufacturing, production, assembly, or processing of finished or partially finished products from raw material or fabricated parts in respect of which capital and labour are involved, and includes—

- the processing of raw products and resources on the property;
- the storage and warehousing of products on the property; and
- any office or other similar facility on the same property, the use of which is incidental to such activity.

“State or Government Property”

means property owned and used by the state for public service purposes excluding publicly controlled infrastructure listed in the definition of Public Service Infrastructure, government administration offices owned and controlled by state owned enterprise.

(e) Application of rates clearance certificates (New Clause)

Rates clearance applications and issuance of rates clearance certificates shall be conducted in accordance with the processes and procedures outlined in the Credit Control and Debt Collection Policy /By-Law read with section 118 of the Municipal Systems Act 2000, as amended.

2.4.14 Asset management policy

The safeguarding and maintenance of assets, valuation in accordance with GRAP, maintaining a system of internal control and keeping an asset register are key elements of the Asset Management Framework. In order to ensure above is done in a consistent and legally compliant manner, a policy directive needs to be adopted. The Asset Management Policy provides direction for the management, accounting and control of Fixed Assets owned or controlled by the Council

Approved amendments

(i) Asset verification

- a. Asset custodians should take full accountability for assets not found during verification, and officials cannot absolve themselves from culpability arising from missing assets. Supervisors of shared assets will be responsible for assets jointly used by their subordinates; this also applies to shared offices.
- b. Full access to workstations shall be granted to the Asset Management Unit for verification purposes, and locked offices will be opened in consultation with the Facilities Section; consent from the uncooperating official will not be necessary.
- c. Failed insurance claims for replacement of assets will be recovered at current replacement cost from the official who failed to avail the asset for verification; proof of non-cooperation should be kept by the asset section.

(ii) Proceeds / Gain or Loss on disposal

- a. Proceeds from disposal of Assets are receipted in the income votes and resulting gains or losses will be recognized in the income statement.

(iii) Acquisition

- a. Acquisition of Executive Office Furniture will be reserved for Political Office Bearers, Executive Management, Senior Manager and Manager within departments.
- b. Asset management unit to conduct a needs analysis and conditional assessment to prioritize on all new office furniture acquisitions.
- c. Acquisition of new Office furniture will only be considered in line s14.3 (2)
- d. Asset management unit will authorize specification for new Office Furniture acquisitions.

(iv) Termination of employee's services

- a. In the event of any asset allocated to the employee not found during verification, the Asset section will forward the replacement cost of the asset to corporate services for recovery of the asset at replacement cost values from the last employee benefits due to the asset custodian.

2.4.15 Insurance policy

The main objective of the insurance policy is to:

- (a) Create awareness to all employees of the risks associated with all insurable interests
- (b) Ensure reasonable steps are taken to mitigate and minimise all risks
- (c) Identify all potential risks and enforce risk control measures
- (d) Minimise losses by ensuring proper management control housekeeping and maintenance of assets.

No proposed amendments

2.4.16 Deposit and refunds policy

The policy deals with issues of consumer deposits and refunds has been developed.

The refunds include monies paid into the municipal bank account which must be for acceptable reasons be refunded.

2.4.17 Proof of residence policy

The policy will guide the operations in the issue of "Proof of Residence" has been developed. This policy will be applicable for formalised and non-formalised areas within the jurisdiction of City of Mbombela.

No proposed amendments

2.4.18 Liquidity Policy

The objective of the policy is to ensure liquidity management in so far as maintaining sufficient liquidity intensities to meet the liabilities when due under both normal and stressed conditions without incurring any prohibited expenditure.

No proposed amendments

2.4.19 Long Service Awards Policy

- a. The Long Service Awards Policy indicate the baseline for monetary incentives provided for the purpose.

2.5 FINAL BUDGET SUPPORTING TABLES

The 2025/2026 final budget supporting tables are enlisted below;

MP326 City of Mbombela - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'												
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29	
R thousand												
REVENUE ITEMS:												
Exchange revenue												
Service charges - Electricity												
Appliance Maintenance	6											
Availability Charges												
Connection/Reconnection		1 940	2 911	3 849	3 566	1 952	1 952	1 610	2 543	2 747	2 966	
Electricity Distribution Revenue for Services												
Electricity Sales		1 278 805	1 440 664	1 625 170	1 882 739	1 994 361	1 994 361	1 352 930	2 090 661	2 257 914	2 438 547	
Joint Pole Usage												
Meter Compliance Testing		-	0	-	0	0	0	0	0	0	0	
Meter Reading Fees		-	(1)	0	1	(0)	(0)	13	(0)	(0)	(0)	
Notice Revenues												
Temporary Service Plant												
Total Service charges - Electricity		1 280 745	1 443 574	1 629 019	1 886 297	1 996 314	1 996 314	1 354 553	2 093 204	2 260 661	2 441 514	
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)												
Less Cost of Free Basis Services (50 kwh per indigent household per month)		(52)	(102)	(126)	(130)	(147)	(147)	(111)	(172)	(185)	(200)	
Net Service charges - Electricity		1 280 693	1 443 472	1 628 893	1 886 167	1 996 167	1 996 167	1 354 442	2 093 033	2 260 475	2 441 314	
Service charges - Water												
Agricultural and Rural Water Service	6											
Availability Charges												
Connection/Disconnection												
Industrial Water		5 853	21 302	5 853	6 533	6 533	6 533	4 390	6 401	6 785	7 193	
Meter Reading Fees												
Sale		114 923	108 065	118 485	134 815	134 815	134 815	86 596	126 624	134 221	142 274	
Urban Higher Level Service												
Total Service charges - Water			120 776	129 367	124 338	141 348	141 348	141 348	90 986	133 025	141 006	149 467
Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)												
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)			-	-	-	(14 270)	(14 270)	(14 270)	-	-	-	-
Net Service charges - Water		120 776	129 367	124 338	127 078	127 078	127 078	90 986	133 025	141 006	149 467	
Service charges - Waste Water Management												
Agricultural and Rural	6	-	-	-	-	-	-	-	-	-	-	
Availability Charges												
Connection/Reconnection		85	90	112	73	122	122	91	132	140	148	
Higher Level Service												
Industrial Effluent		1 723	1 710	2 338	1 827	2 005	2 005	1 514	2 176	2 307	2 445	
Industrial Waste Water												
Pump/Removal of Waste Water												
Sanitation Charges		23 103	25 926	25 731	27 105	29 877	29 877	22 441	33 182	35 173	37 283	
Treatment of Effluent												
Total Service charges - Waste Water Management			24 910	27 726	28 182	29 004	32 004	32 004	24 046	35 490	37 619	39 876
Less Revenue Foregone (in excess of free sanitation service to indigent households)												
Less Cost of Free Basis Services (free sanitation service to indigent households)		(1 475)	(1 847)	(2 291)	(1 839)	(1 839)	(1 839)	(1 354)	(1 953)	(2 070)	(2 195)	
Net Service charges - Waste Water Management		23 436	25 880	25 891	27 165	30 165	30 165	22 692	33 537	35 549	37 682	
Service charges - Waste Management												
Availability Charges	6	-	-	-	-	-	-	-	-	-	-	
Carrier Bags												
Disposal Facilities		(103)	32	37	31	2 578	2 578	2 261	3 336	3 470	3 678	
Refuse Bags												
Refuse Removal		140 510	147 365	156 491	167 539	166 460	166 460	124 780	174 935	185 794	196 942	
Skip		2 100	1 719	2 196	1 656	2 454	2 454	1 856	2 596	2 699	2 861	
Waste Bins		13 228	13 519	14 350	13 633	16 367	16 367	12 683	18 022	18 743	19 868	
Total refuse removal revenue			155 734	162 635	173 074	182 858	187 858	187 858	141 579	198 889	210 707	223 349
Less Revenue Foregone (in excess of one removal a week to indigent households)												
Less Cost of Free Basis Services (removed once a week to indigent households)			(5 031)	(6 436)	(7 070)	(6 947)	(6 947)	(6 947)	(4 169)	(5 771)	(6 002)	(6 362)
Net Service charges - Waste Management		150 703	156 199	166 004	175 911	180 911	180 911	137 411	193 118	204 705	216 987	
Sales of Goods and Rendering of Services												
Academic Services												
Advertisements		954	1 012	1 181	1 199	13 395	13 395	11 234	20 329	22 362	24 598	
Amendment Fees		6 280	4 267	3 440	5 545	3 417	3 417	2 390	4 212	4 633	5 096	
Application Fees for Land Usage		1	-	-	-	-	-	-	-	-	-	
Building Plan Approval		(667)	2 411	3 929	5 259	4 532	4 532	2 220	3 845	4 229	4 652	
Building Plan Clause Levy												
Buyers Card												
Camping Fees												
Cemetery and Burial		1 419	1 469	1 536	2 010	2 022	2 022	1 292	2 235	2 459	2 705	
Cleaning and Removal		1	-	-	-	-	-	-	-	-	-	
Clearance Certificates		1 572	1 567	1 737	1 563	1 969	1 969	1 446	2 503	2 753	3 029	

Encroachment Fees										
Entrance Fees	96	71	92	118	118	118	72	124	136	150
Escort Fees	-	-	-	-	-	-	-	-	-	-
Exempted Parking										
Fire Services	154	166	517	190	645	645	863	1 562	1 718	1 890
Health Services										
Housing (Boarding Services)										
Immunisation Fees										
Laboratory Services										
Legal Fees										
Library Fees	-	-	-	-	-	-	0	0	0	1
Management Fees										
Meal and Refreshment	-	-	-	-	-	-	-	-	-	-
Membership Fees	-	-	-	-	-	-	-	-	-	-
Objections and Appeals										
Occupation Certificates										
Parking Fees										
Photo copies, Faxes and Telephone charges	146	133	174	163	163	163	142	238	262	288
Removal of Restrictions										
Sale of Carbon Credits										
Sale of Goods	16	165	46	261	82	82	69	121	133	146
Scrap, Waste & Other Goods										
Shared Services										
Squatter Re-allocation										
Stone and Gravel										
Streets/Street Markets (Informal Traders)										
Town Planning and Servitudes	133	101	141	117	82	82	56	92	101	111
Traffic Control										
Transport Fees										
Valuation Services	-	-	-	-	-	-	-	-	-	-
Water Meter Protectors										
Weighbridge Fees										
Total Sales of Goods and Rendering of Services	10 104	11 363	12 794	16 424	26 424	26 424	19 785	35 261	38 787	42 666
Agency Services										
District Municipalities										
Eastern Cape										
Free State										
Gauteng										
Kwazulu/Natal										
Limpopo										
Mpumalanga										
Northern Cape										
Northwest										
Western Cape										
Total District Municipalities	-	-	-	-	-	-	-	-	-	-
National										
AARTO										
Department of Environmental Affairs										
Total National	-	-	-	-	-	-	-	-	-	-
Provincial										
Eastern Cape										
Free State										
Gauteng										
Kwazulu/Natal										
Limpopo										
Mpumalanga	-	-	-	-	-	-	-	-	-	-
Northern Cape										
Northwest										
Western Cape										
Total Provincial	-	-	-	-	-	-	-	-	-	-
Total Agency Services	-	-	-	-	-	-	-	-	-	-
Interest - Deemed Interest										
Interest earned from Receivables										
Affiliates/Related Parties/Associated Companies	37 327	4 538	(588)	-	-	-	(163)	-	-	-
Electricity	-	12 703	17 490	23 956	23 956	23 956	18 974	17 205	18 753	20 629
Housing	-	-	-	-	-	-	-	-	-	-
Housing Land Sales	-	-	-	-	-	-	-	-	-	-
Housing Selling Schemes	-	(28)	-	-	-	-	-	-	-	-
Merchandising, Jobbing and Contracts	-	-	-	-	-	-	-	-	-	-
Property Rental Debtors	-	-	-	-	-	-	-	-	-	-
SARS	-	-	-	-	-	-	-	-	-	-
Service Charges	87	2 097	2 289	5 667	7 952	7 952	2 428	6 302	6 869	7 556
Sporting and Other Bodies	-	-	-	-	-	-	-	-	-	-
Staff	-	-	-	-	-	-	-	-	-	-
Waste Management	-	11 255	13 926	12 848	14 086	14 086	12 008	10 795	11 766	12 943
Waste Water Management	-	2 366	2 318	2 442	2 706	2 706	2 088	1 878	2 047	2 252
Water	-	12 513	11 314	13 042	12 255	12 255	8 966	8 038	8 635	9 456
Shared Services										
Total Interest earned from Receivables	37 414	45 443	46 749	57 955	60 955	60 955	44 301	44 217	48 070	52 835
Interest earned from Current and Non Current Assets										
Bank Accounts	2 677	3 834	5 258	-	38	38	25	45	47	51
Financial Assets	-	-	-	-	-	-	-	-	-	-
Short Term Investments and Call Accounts	6 404	5 756	6 814	11 447	16 409	16 409	11 810	15 444	17 490	19 740
Total Interest earned from Current and Non Current Assets	9 080	9 590	12 072	11 447	16 447	16 447	11 836	15 488	17 537	19 791

Property Plant and Equipment	4 596	4 591	10 948	6 107	30 510	30 510	8 483	15 358	23 809	25 190
Total Market Related	4 596	4 591	10 948	6 107	30 510	30 510	8 483	15 358	23 809	25 190
Non-market Related										
Biological Assets										
Heritage Assets										
Investment Property	291	309	268	83	295	295	223	330	363	399
Property Plant and Equipment	20 396	18 675	17 873	224	609	609	412	17 845	10 714	10 785
Total Non-market Related	20 687	18 983	18 141	308	905	905	635	18 175	11 077	11 185
Total Rental from Fixed Assets	25 283	23 575	29 089	6 415	31 415	31 415	9 119	33 533	34 886	36 375
Licences or Permits										
Angling/Fishing										
Atmospheric Emissions										
Boat										
Dog										
Fauna and Flora										
Filming Fees										
Game										
Health Certificates										
Hiking Trails										
Hoarding (Collecting/String)										
Market Porters										
Road and Transport	-	-	-	-	-	-	-	-	-	-
Threatened and Protected Species										
Trading	41	169	1 345	174	274	274	195	322	355	390
Total Licences or Permits	41	169	1 345	174	274	274	195	322	355	390
Special Rating Levies										
Agricultural Properties										
Business and Commercial Properties										
Industrial Properties										
Mining Properties										
Public Benefit Organisations										
Public Service Infrastructure Properties										
Public Service Purposes Properties										
Residential Properties										
Residential Sectional Title Garages										
Sport Clubs and Fields										
Vacant Land										
Total Special Rating Levies	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue										
Development Charges										
	-	-	-	-	-	-	-	6 179	6 364	6 555
Operational Revenue										
Administrative Handling Fees	4 585	4 789	5 159	14 465	4 807	4 807	3 743	10 853	11 288	11 739
Arbor City Awards Competition										
Bad Debts Recovered	69 665	17 547	18 217	-	64 399	64 399	11 527	13 212	13 740	14 290
Bottle Ke Bolho Cleaning and Greening Award										
Breakages and Losses Recovered										
Bursary Repayment	10	10	2 252	4 254	(161)	(161)	(92)	(300)	(312)	(325)
Collection Charges	9 748	10 942	16 310	26 039	89 805	89 805	5 247	16 948	17 626	18 331
Commission	-	-	-	-	-	-	-	-	-	-
Discounts and Early Settlements	224 063	134 001	2 143	-	-	-	-	-	-	-
Incidental Cash Surpluses										
Inspection Fees										
Insurance Refund	4 199	132	7 752	20 124	4 198	4 198	3 785	11 524	11 930	12 502
Merchandising, Jobbing and Contracts										
Recovery Maintenance										
Registration Fees										
Request for Information	65	43	36	161	73	73	44	139	145	151
Sale of Property	5	3	-	-	-	-	-	-	-	-
Skills Development Levy Refund	2 684	3 180	2 370	10 538	3 162	3 162	1 880	6 058	6 300	6 552
Staff and Councillors Recoveries	21	319	26	-	40	40	41	105	109	113
Total Operational Revenue	315 045	170 965	54 265	75 581	166 324	166 324	26 174	58 539	60 826	63 354
Non-Exchange revenue										
Property Rates										
Agricultural Properties	19 569	28 736	30 325	31 795	32 358	32 358	24 375	34 063	36 107	38 634
Business and Commercial Properties	366 639	447 807	464 367	519 174	565 384	565 384	357 788	542 538	572 090	608 637
Industrial Properties	-	-	-	-	-	-	-	-	-	-
Mining Properties										
Public Benefit Organisations	2 937	2 969	3 113	3 346	3 348	3 348	2 512	3 516	3 727	3 988
Public Service Infrastructure Properties	-	-	-	-	-	-	(0)	-	-	-
Public Service Purposes Properties	144 580	140 545	147 953	159 371	159 371	159 371	111 931	157 309	166 748	178 420
Residential Properties	343 118	458 690	488 236	514 726	527 951	527 951	395 789	552 802	585 970	626 988
Residential Sectional Title Garages										
Sport Clubs and Fields										
Vacant Land	-	-	-	-	-	-	-	-	-	-
Total Property Rates	878 842	1 078 746	1 133 995	1 228 411	1 288 411	1 288 411	892 395	1 290 229	1 364 642	1 456 667
<i>Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>	<i>(73 752)</i>	<i>(103 528)</i>	<i>(117 406)</i>	<i>(105 872)</i>	<i>(105 872)</i>	<i>(105 872)</i>	<i>(90 604)</i>	<i>(126 322)</i>	<i>(133 901)</i>	<i>(143 274)</i>
Net Property Rates	803 090	975 218	1 016 588	1 122 539	1 182 539	1 182 539	801 791	1 163 907	1 230 741	1 313 393
Surcharges and Taxes										
Surcharges	-	-	-	-	-	-	-	-	-	-
Taxes										
Total Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-
Fines, Penalties and Forfeits										
Fines	1 846	2 281	3 767	4 356	14 367	14 367	6 889	16 974	18 671	20 538
Forfeits	2 154	4 634	8	11	0	0	6	13	14	16
Penalties	-	-	-	-	-	-	-	-	-	-
Total Fines, Penalties and Forfeits	3 999	6 915	3 775	4 367	14 367	14 367	6 895	16 987	18 685	20 554

Departmental Agencies and Accounts	-	-	-	-	-	-	-	-	-	-
District Municipalities	-	-	-	-	-	-	-	-	-	-
Foreign Government and International Organisations	-	-	-	-	-	-	-	-	-	-
Higher Educational Institutions	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-
National Governments	15 489	19 000	14 103	30 482	30 482	30 482	15 940	11 854	2 700	2 800
National Revenue Fund	948 458	1 049 002	1 120 727	1 182 249	1 182 249	1 182 249	1 182 249	1 233 444	1 287 910	1 322 907
Non-Profit Institutions	-	-	-	-	-	-	-	-	-	-
Parent Municipality	-	-	-	-	-	-	-	-	-	-
Private Enterprises	-	-	-	-	-	-	-	-	-	-
Provincial Government	-	-	-	-	-	-	-	-	-	-
Public Corporations	-	-	-	-	-	-	-	-	-	-
Total Monetary Allocations	963 947	1 068 002	1 134 830	1 212 731	1 212 731	1 212 731	1 198 189	1 245 298	1 290 610	1 325 707
Total Transfer and subsidies - Operational	963 947	1 068 002	1 134 830	1 212 731	1 212 731	1 212 731	1 198 189	1 245 298	1 290 610	1 325 707
Interest Receivables										
Property Rates	-	39 936	44 988	40 574	43 574	43 574	36 814	39 736	42 721	46 411
Service Charges										
Electricity	-	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-	-
Waste Water Management	-	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	-	-	-
Total Service Charges	-	-	-	-	-	-	-	-	-	-
Total Interest Receivables	-	39 936	44 988	40 574	43 574	43 574	36 814	39 736	42 721	46 411
Fuel Levy (RSC Replacement Grant)										
Operational Revenue - Service Charges										
Electricity - Availability Charges	-	-	-	-	-	-	-	-	-	-
Waste Management - Availability Charges	-	-	-	-	-	-	-	-	-	-
Waste Water Management - Availability Charges	-	-	-	-	-	-	-	-	-	-
Water - Availability Charges	-	-	-	-	-	-	-	-	-	-
Total Operational Revenue - Service Charges	-	-	-	-	-	-	-	-	-	-
Gains on Disposal of Fixed and Intangible Assets										
Biological Assets	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-	-
Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-
Total Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-
Other Gains										
Debt waived	-	-	-	-	319 067	319 067	319 067	-	-	-
Discontinued Operations and Disposals of Non-current Assets	-	-	-	-	-	-	-	-	-	-
Inventory										
Fair value assessment - Water stock	-	-	-	-	-	-	-	-	-	-
Increase to net-realizable Value	-	-	-	-	-	-	-	-	-	-
Total Inventory	-	-	-	-	-	-	-	-	-	-
Fair Value Adjustment										
Actuarial Assessments										
Leave Gratuity	68	-	-	-	-	-	-	-	-	-
Long Service Awards	1 623	(1 075)	(8 318)	-	-	-	-	-	-	-
Medical	32 756	3 469	17 501	-	-	-	-	-	-	-
Pension Funds	-	-	-	-	-	-	-	-	-	-
Total Actuarial Assessments	34 447	2 394	9 184	-	-	-	-	-	-	-
Biological Assets	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Interest rate Swaps	-	-	-	-	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Living resources	-	-	-	-	-	-	-	-	-	-
Total Fair Value Adjustment	34 447	2 394	9 184	-	-	-	-	-	-	-
Foreign Exchange										
Contributions to Provisions for landfill sites	-	-	-	-	-	-	-	-	-	-
Total Other Gains	34 447	2 394	9 184	-	319 067	319 067	319 067	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-
Total Revenue	3 778 059	4 108 488	4 310 803	4 764 528	5 408 437	5 408 437	4 079 696	5 112 180	5 431 318	5 773 480
EXPENDITURE ITEMS:										
Employee related costs										
Salaries and Allowances										
Basic Salary	631 328	660 014	686 400	672 561	672 561	672 561	494 463	709 898	695 313	772 107
Bonuses	-	-	-	-	-	-	-	-	-	-
Allowance										
Accommodation, Travel and Incidental	-	-	-	-	-	-	-	-	-	-
Cellular and Telephone	7 081	7 526	8 209	7 949	7 949	7 949	5 999	8 574	8 805	11 930
Housing Benefits	6 108	6 513	6 837	6 675	6 675	6 675	4 799	6 885	50 234	7 415
Non-pensionable	783	155	1 131	1 900	1 900	1 900	-	17 619	18 354	19 088
Travel or Motor Vehicle	68 366	69 894	75 103	73 251	73 251	73 251	53 261	75 973	89 713	81 756
Voluntary Work	-	-	-	-	-	-	-	-	-	-
Total Allowance	82 338	84 089	91 280	89 775	89 775	89 775	64 059	109 051	167 106	120 189

Service Related Benefits										
Acting	12 604	11 238	13 808	13 366	13 366	13 366	10 333	34 885	36 891	37 488
Bonus	50 865	53 534	56 608	52 689	52 689	52 689	35 674	51 625	64 436	55 099
Danger Allowance										
Entertainment										
Fire Brigade										
In-kind Benefits										
Leave Pay	1 249	8 208	7 608	3 253	3 253	3 253	1 264	1 820	4 747	1 972
Lifeguard/Duty Squads										
Long Service Award										
Overtime	203 274	225 960	236 955	209 360	209 360	209 360	172 781	209 204	180 250	223 845
Scarcity										
Standby Allowance	34 681	37 326	37 721	44 889	44 889	44 889	25 633	36 911	17 323	39 987
Tools Allowance	961	1 135	1 151	1 138	1 138	1 138	792	1 140	30 259	1 235
Uniform-Special-Protective Clothing	-	-	-	-	-	-	-	-	-	-
Leave gratuity										
Long Term Service Award										
Total Service Related Benefits	303 634	337 402	353 851	324 695	324 695	324 695	246 477	335 586	333 907	359 627
Total Salaries and Allowances	1 017 301	1 081 504	1 131 531	1 087 031	1 087 031	1 087 031	804 999	1 154 535	1 196 327	1 251 923
Social Contributions										
Bargaining Council	239	245	250	246	246	246	183	259	6 692	279
Group Life Insurance	7 695	8 264	8 833	8 561	8 561	8 561	6 428	9 201	11 664	9 813
Medical	53 520	56 851	59 777	57 679	57 679	57 679	42 052	59 963	61 159	64 560
Pension	124 350	130 222	137 046	133 889	133 889	133 889	98 256	140 304	135 749	149 029
Unemployment Insurance	3 977	3 862	3 746	3 683	3 683	3 683	2 607	3 690	11 079	3 972
Total Social Contributions	189 781	199 442	209 653	204 058	204 058	204 058	149 527	213 416	226 343	227 653
Post-retirement Benefit										
Medical	49 057	47 943	51 077	-	-	-	-	-	-	-
Other Benefits										
Pension										
Total Post-retirement Benefit	49 057	47 943	51 077	-	-	-	-	-	-	-
Sub-Total	1 256 139	1 328 890	1 392 261	1 291 089	1 291 089	1 291 089	954 526	1 367 951	1 422 669	1 479 576
Less: Employees costs capitalised to PPE										
Total Employee Related Cost	1 256 139	1 328 890	1 392 261	1 291 089	1 291 089	1 291 089	954 526	1 367 951	1 422 669	1 479 576
Remuneration of Councillors										
Allowances and Service Related Benefits										
Basic Salary	42 258	41 845	43 967	38 816	38 816	38 816	29 184	45 491	45 491	44 581
Cell phone Allowance	4 228	4 172	4 226	6 696	6 696	6 696	2 814	4 389	4 389	4 302
Housing Allowance										
In-kind Benefits	71	12	6	15	15	15	1	2	2	1
Market Related Non-pensionable Allowance										
Motor Vehicle Allowance	12 798	13 311	14 294	15 297	15 297	15 297	9 468	14 462	16 499	19 666
Office-bearer Allowance										
Out of pocket Expenses										
Travelling Allowance										
Use of Personal Facilities										
Total Allowances and Service Related Benefits	59 355	59 340	62 492	60 824	60 824	60 824	41 467	64 344	66 381	68 550
Social Contributions										
Medial Aid Benefits	378	408	374	483	483	483	236	369	369	362
Pension Fund Contributions	3 050	2 845	3 051	3 353	3 353	3 353	2 040	3 182	3 182	3 119
Total Social Contributions	3 427	3 253	3 425	3 836	3 836	3 836	2 276	3 551	3 551	3 480
Total Remuneration of Councillors	62 782	62 592	65 918	64 660	64 660	64 660	43 743	67 895	69 932	72 030
Bulk Purchases - Electricity										
ESKOM	1 110 557	1 323 437	1 537 836	1 380 692	1 380 692	1 380 692	1 123 302	1 526 395	1 679 034	1 846 938
Independent Power Producers										
Green Electricity										
Green Charges										
Green Rights and Certificates										
Total Green Electricity	-	-	-	-	-	-	-	-	-	-
Renewable, Cogen, etc										
Total Independent Power Producers	-	-	-	-	-	-	-	-	-	-
Self Generation										
Capitalisation Electricity Costs (Credit Account)										
Total Bulk Purchases - Electricity	1 110 557	1 323 437	1 537 836	1 380 692	1 380 692	1 380 692	1 123 302	1 526 395	1 679 034	1 846 938
Inventory Consumed										
Agricultural										
Consumables	47 072	71 111	70 308	93 601	87 370	87 370	61 033	93 624	90 403	81 363
Finished Goods										
Housing Stock										
Land										
Materials and Supplies	6 655	3 437	826	1 921	1 976	1 976	224	209	203	182
Water	37 305	48 576	57 969	29 249	29 249	29 249	12 859	22 359	21 689	19 520
Sub-total	91 032	123 123	129 103	124 771	118 596	118 596	74 117	116 193	112 294	101 065

Less: Capitalisation of inventory consumed											
Total Inventory Consumed	1	91 032	123 123	129 103	124 771	118 596	118 596	74 117	116 193	112 294	101 065
Debt Impairment											
Trade and Other Receivables from Exchange Transactions											
Electricity		-	16 317	-	40 629	40 629	40 629	-	33 722	29 676	26 411
Shared Services											
Waste Management		-	27 781	-	22 692	22 692	22 692	-	18 834	16 574	14 751
Waste Water Management		-	3 746	-	3 311	3 311	3 311	-	2 748	2 580	2 988
Water		-	9 686	-	16 421	16 421	16 421	-	12 868	11 324	10 078
Non Specific Accounts		320 707	(16 797)	117 051	27 822	27 822	27 822	-	23 092	20 321	18 086
Total Trade and Other Receivables from Exchange Transactions		320 707	40 733	117 051	110 876	110 876	110 876	-	91 265	80 475	72 315
Other Receivables from Non-exchange Revenue											
Property Rates											
Property Rates General		-	-	-	-	-	-	-	-	-	-
Agricultural Properties		-	-	-	-	-	-	-	-	-	-
Business and Commercial Properties		-	-	-	-	-	-	-	-	-	-
Industrial Properties		-	-	-	-	-	-	-	-	-	-
Mining Properties		-	-	-	-	-	-	-	-	-	-
Public Benefit Organisations		-	-	-	-	-	-	-	-	-	-
Public Service Infrastructure Properties		-	-	-	-	-	-	-	-	-	-
Public Service Purposes Properties		-	-	-	-	-	-	95 122	119 082	141 976	
Residential Properties		-	-	-	-	-	-	-	-	-	-
Residential Sectional Title Garages		-	-	-	-	-	-	-	-	-	-
Sport Clubs and Fields		-	-	-	-	-	-	-	-	-	-
Vacant Land											
Total Property Rates		-	-	-	-	-	-	-	95 122	119 082	141 976
Service Charges											
Service Charges General											
Electricity											
Waste Management											
Waste Water Management											
Water											
Total Service Charges		-	-	-	-	-	-	-	-	-	-
Non Specific Accounts											
Total Other Receivables from Non-exchange Revenue		-	-	-	-	-	-	-	95 122	119 082	141 976
Total Debt Impairment	1	320 707	40 733	117 051	110 876	110 876	110 876	-	186 386	199 556	214 290
Depreciation, Amortisation and Impairment											
Amortisation											
Intangible Assets		1 612	2 237	1 776	2 140	2 140	2 140	1 184	2 824	3 389	3 558
Total Amortisation		1 612	2 237	1 776	2 140	2 140	2 140	1 184	2 824	3 389	3 558
Depreciation											
Biological or Cultivated Assets											
Coastal Infrastructure											
Community Assets		10 641	10 641	8 408	22 492	12 392	12 392	5 606	13 369	16 043	16 845
Computer Equipment		4 420	4 726	4 823	10 866	10 606	10 606	294	702	843	885
Electrical Infrastructure		52 647	52 053	41 679	110 578	110 578	110 578	34 875	83 177	99 812	104 803
Furniture and Office Equipment		4 277	4 504	4 794	8 977	8 977	8 977	3 196	7 622	9 147	9 604
Heritage Assets											
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-
Investment Property		2 443	2 443	2 443	-	-	-	1 628	3 884	4 661	4 894
Land											
Libraries											
Living resources											
Machinery and Equipment		3 242	3 543	3 633	15 610	12 310	12 310	2 422	5 776	6 931	7 278
Other Assets		73 411	73 581	59 685	82 256	289 588	289 588	39 790	164 850	140 061	106 882
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-
Roads Infrastructure		251 489	256 347	107 991	281 033	144 733	144 733	71 994	171 705	206 046	216 349
Sanitation Infrastructure		66 623	58 131	44 417	97 228	97 228	97 228	59 222	143 214	172 044	180 646
Solid Waste Infrastructure		1 105	1 047	384	2 157	2 157	2 157	256	611	733	770
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-
Transport Assets		11 434	12 031	13 111	16 608	13 948	13 948	8 741	20 847	25 017	26 267
Water Supply Infrastructure		74 010	83 601	68 523	107 649	97 649	97 649	45 682	108 952	130 742	137 279
Zoo, Marine and Non-biological Animals											
Total Depreciation		555 740	562 648	359 891	755 443	800 165	800 165	273 707	724 709	812 079	812 501

Total Depreciation, Amortisation and Impairment	1	557 352	564 885	361 667	757 582	802 305	802 305	274 890	727 533	815 468	816 059
Interest, Dividends and Rent on Land											
Dividends Paid											
Interest Paid		168 682	149 442	174 201	81 008	18 087	18 087	16 919	37 230	38 719	40 268
Rent on Land											
Total Interest, Dividends and Rent on Land	1	168 682	149 442	174 201	81 008	18 087	18 087	16 919	37 230	38 719	40 268
Contracted Services											
Consultants and Professional Services		96 750	148 093	147 646	99 216	88 623	88 623	56 592	42 749	46 905	31 164
Contractors		156 246	232 182	202 100	163 596	431 270	431 270	198 147	164 037	146 453	150 962
Outsourced Services		350 309	350 493	359 867	163 364	279 337	279 337	226 047	176 773	151 845	128 557
Total Contracted Services	1	603 305	730 768	709 613	426 176	799 231	799 231	480 787	383 558	345 202	310 682
Transfers and Subsidies											
Capital											
Allocations In-kind		-	-	-	-	-	-	-	-	-	-
Monetary Allocations		-	-	-	-	-	-	-	-	-	-
Total Capital		-	-	-	-	-	-	-	-	-	-
Operational											
Allocations In-kind		378	460	324	236	368	368	236	384	192	-
Monetary Allocations		46 894	46 269	48 427	24 138	29 543	29 543	29 646	45 930	22 963	21 997
Total Operational		47 272	46 730	48 751	24 374	29 911	29 911	29 882	46 314	23 155	21 997
Total Transfers and Subsidies	1	47 272	46 730	48 751	24 374	29 911	29 911	29 882	46 314	23 155	21 997
Irrecoverable Debts Written Off											
Bad debt written off											
Exchange											
Electricity		-	-	6 510	-	-	-	739	-	-	-
Non Specific Accounts		-	-	34 577	-	-	-	494	-	-	-
Waste Management		-	-	15 154	-	-	-	2 452	-	-	-
Waste Water Management		-	-	1 840	-	-	-	805	-	-	-
Water		-	-	9 496	-	-	-	8 211	-	-	-
Total Exchange		-	-	67 577	-	-	-	12 701	-	-	-
Non-exchange											
Non Specific Accounts		-	-	1 924	-	-	-	3 118	-	-	-
Property Rates		-	-	-	-	-	-	-	-	-	-
Service Charges		-	-	-	-	-	-	-	-	-	-
Total Non-exchange		-	-	1 924	-	-	-	3 118	-	-	-
Total Irrecoverable Debts Written Off	1	-	-	69 501	-	-	-	15 819	-	-	-
Operational Cost and Other Cost											
Operational Cost											
Achievements and Awards		55	-	-	-	-	-	-	-	-	-
Advertising, Publicity and Marketing		2 101	2 180	2 409	3 200	4 921	4 921	2 100	901	892	656
Assets less than the Capitalisation Threshold											
Atmospheric Emission Licence											
Bank Charges, Facility and Card Fees		2 572	2 570	2 230	617	617	617	1 767	1 042	1 042	990
Bargaining Council											
Bond Issue Amortisation Costs											
Brokers Fees											
Bursaries (Employees)		4 704	4 631	3 795	3 000	4 600	4 600	4 316	1 102	1 102	1 047
Cash Discount		-	-	-	-	-	-	8 366	4 959	4 959	4 711
Cleaning Services		-	-	-	-	-	-	-	-	-	-
Commission		1 954	2 435	2 417	681	681	681	1 731	1 027	1 027	976
Communication		11 434	10 628	9 468	5 964	5 994	5 994	4 253	2 443	2 443	2 321
Contribution to Provisions		-	-	-	-	-	-	-	-	-	-
Copy Right Fees		-	-	-	-	-	-	-	-	-	-
Cost relating to the Sale of Houses		-	-	-	-	-	-	-	-	-	-
Courier and Delivery Services		-	-	-	-	-	-	-	-	-	-
Deeds		213	329	102	105	170	170	67	43	43	41
Drivers Licences and Permits		-	-	-	-	-	-	-	-	-	-
Dumping Fees (District Council)		-	-	-	-	-	-	-	-	-	-
Electricity Compliance Certificate		-	-	-	-	-	-	-	-	-	-
Entertainment		-	1	-	-	-	-	-	-	-	-
Entrance Fees		36	178	5	18	78	78	30	20	20	19
Environmental Levy		-	-	-	-	-	-	-	-	-	-
Eskom Connection Fees		-	-	-	-	-	-	-	-	-	-
External Audit Fees		12 405	9 478	12 279	4 150	4 150	4 150	8 261	2 668	2 668	2 535
External Computer Service		11 594	13 028	12 954	9 472	13 327	13 327	11 462	4 183	4 183	3 974
Fines and Penalties		-	-	-	-	-	-	-	-	-	-
Firearm Handling Fees		-	-	-	-	-	-	-	-	-	-
Freight Services		-	-	-	-	-	-	-	-	-	-
Full Time Union Representative		-	-	-	-	-	-	-	-	-	-
Hire Charges		29	-	-	-	30	30	-	-	-	-
Honoraria (Voluntarily Workers)		-	-	-	98	98	98	-	-	-	-
Indigent Relief		2 199	1 688	1 933	1 683	991	991	1 475	856	8 489	814
Insurance Underwriting		27 775	30 877	29 783	12 480	9 530	9 530	28 211	16 667	16 667	15 833
Capitalisation of Wet Fuel Costs (Credit Account)		-	-	-	-	-	-	-	-	-	-
Land Alienation Costs		-	-	-	-	-	-	-	-	-	-
Leaverships and Internships		524	-	-	4 828	4 898	4 898	395	251	46	44
Levies Paid - Water Resource Management Charges		-	-	-	-	-	-	-	-	-	-
Licences		2 391	2 279	2 059	1 296	2 806	2 806	2 734	1 580	1 580	-
Management Fee		-	-	-	-	-	-	-	-	-	-
Municipal Services		124 266	151 812	195 649	5 074	5 074	5 074	69 364	37 466	15 809	10 000
Office Decorations		-	-	-	-	-	-	-	-	-	-
Parking Fees		-	-	-	-	-	-	-	-	-	-
Permits		-	-	-	-	-	-	-	-	-	-
Personnel Agency Fees [Personnel Recruitment Costs]		-	-	-	-	-	-	-	-	-	-
Printing, Publications and Books		173	81	88	297	603	603	289	5	5	5
Professional Bodies, Membership and Subscription		12 612	2 731	14 473	10 613	4 627	4 627	4 371	2 885	2 863	2 741
Registration Fees		215	10 388	122	701	617	617	336	170	162	162

Remuneration to Section 79 Committee Members										
Repayment of Forfeited Deposits										
Resettlement Cost										
Rewards Incentives	6 694	8 213	9 662	2 575	2 575	2 575	-	-	-	-
Road Worthy Test	-	-	-	-	-	-	-	-	-	-
Samples and Specimens	-	-	-	-	-	-	-	-	-	-
Search Fees										
Seating Allowance for Traditional Leaders	-	-	-	-	-	-	-	-	-	-
Servitudes and Land Surveys										
Signage	181	85	102	200	200	200	29	19	19	18
Skills Development Fund Levy	10 544	11 167	11 688	7 114	7 114	7 114	8 311	5 458	5 458	5 185
Small Differences Tolerances	301	0	(0)	-	-	-	(746)	-	-	-
Storage of Assets and Goods										
Storage of Files (Archiving)	-	-	-	-	-	-	-	-	-	-
Supplier Development Programme										
System Access and Information Fees	-	-	-	-	-	-	-	-	-	-
Taking over Contractual Obligations										
Toll Gate Fees										
Transport Provided as Part of Departmental Activities	1 142	1 657	2 246	2 065	2 182	2 182	1 076	655	655	512
Travel Agency and Visas	129	164	177	444	717	717	295	128	106	121
Travel and Subsistence	4 729	6 499	5 462	6 564	9 822	9 822	3 925	2 477	4 561	2 552
Uniform and Protective Clothing	4 271	6 318	3 281	3 902	6 289	6 289	1 187	782	12 988	770
Vehicle Tracking	18 769	3 310	1 697	1 277	1 277	1 277	941	449	449	-
Ward Committees	5 324	4 913	5 155	3 966	3 946	3 946	3 391	2 238	2 238	29 926
Warranties and Guarantees										
Wet Fuel										
Witness Fees										
Workmens Compensation Fund	6 021	6 319	7 750	-	-	-	-	-	-	-
Total Operational Cost	275 359	293 959	336 984	92 382	97 935	97 935	167 927	90 476	90 476	85 952
Operating Leases										
Biological Assets										
Community Assets										
Computer Equipment	72	821	391	444	444	444	724	228	228	216
Furniture and Office Equipment	383	582	577	334	334	334	32	19	19	18
Heritage Assets										
Infrastructure	-	-	-	-	-	-	-	-	-	-
Intangible Assets										
Investment Properties										
Land										
Libraries										
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Other Assets	5 137	6 338	6 675	3 300	3 530	3 530	2 812	1 303	1 303	1 238
Transport Assets	777	338	-	410	410	410	-	-	-	-
Zoo, Marine and Non-biological Animals										
Total Operational Leases	6 369	8 078	7 643	4 487	4 717	4 717	3 569	1 550	1 550	1 473
Discontinued Operations										
Statutory Payments other than Income Taxes										
Total Operational Cost and Other Cost	281 728	302 038	344 627	96 869	102 652	102 652	171 496	92 026	92 026	87 425
Disposal of Fixed and Intangible Assets										
Biological Assets										
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Investment Property										
Living resources										
Property, Plant and Equipment	5 890	14 041	3 337	-	-	-	-	-	-	-
Total Disposal of Fixed and Intangible Assets	5 890	14 041	3 337	-	-	-	-	-	-	-
Other Losses										
Inventory										
Decrease in net-realizable Value	-	-	343	-	-	-	-	-	-	-
Total Inventory	-	-	343	-	-	-	-	-	-	-

Total Other Losses	1	-	-	343	-	-	-	-	-	-	-
Total Expenditure		4 505 446	4 686 678	4 954 208	4 358 098	4 718 098	4 718 098	3 185 480	4 551 481	4 798 057	4 990 330
Surplus/(Deficit)		(727 387)	(578 190)	(643 404)	406 429	690 339	690 339	894 216	560 698	633 261	783 149
Transfers and subsidies - capital (monetary allocations)											
Departmental Agencies and Accounts											
District Municipalities											
Foreign Government and International Organisations											
Higher Educational Institutions											
Households											
National Government		543 275	456 120	523 309	466 984	476 366	476 366	383 951	469 052	523 422	508 790
Non-Profit Institutions											
Parent Municipality											
Private Enterprises		-	-	-	-	-	-	-	-	-	-
Provincial Governments											
Public Corporations											
Total Transfers and subsidies - capital (monetary allocations)		543 275	456 120	523 309	466 984	476 366	476 366	383 951	469 052	523 422	508 790
Transfers and subsidies - capital (in-kind)											
Departmental Agencies and Accounts		-	-	-	-	-	-	-	-	-	-
District Municipalities		-	-	154	-	-	-	-	-	-	-
Foreign Government and International Organisations											
Higher Educational Institutions											
Households		7 797	3 212	-	-	-	-	-	-	-	-
Local Municipalities											
National Government											
Non Profit Institutions											
Parent Municipality											
Private Enterprises		-	-	10 655	-	-	-	-	-	-	-
Provincial Governments		-	-	18 738	-	-	-	-	-	-	-
Public Corporations											
Total Transfers and subsidies - capital (in-kind)		7 797	3 212	29 548	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers and contributions		(176 315)	(118 858)	(90 548)	873 413	1 166 705	1 166 705	1 278 167	1 029 750	1 156 683	1 291 939
Income Tax											
Continuing Operations											
Discontinued Operations											
Total Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(176 315)	(118 858)	(90 548)	873 413	1 166 705	1 166 705	1 278 167	1 029 750	1 156 683	1 291 939
Share of Surplus/Deficit attributable to Joint Venture											
Share of Surplus/Deficit attributable to Minorities											
Surplus/(Deficit) attributable to municipality		(176 315)	(118 858)	(90 548)	873 413	1 166 705	1 166 705	1 278 167	1 029 750	1 156 683	1 291 939
Share of Surplus/Deficit attributable to Associate											
Intercompany/Parent-subsidiary Transactions											
Surplus/(Deficit) for the year		(176 315)	(118 858)	(90 548)	873 413	1 166 705	1 166 705	1 278 167	1 029 750	1 156 683	1 291 939
Repairs and Maintenance by Expenditure Item	8										
Employee related costs		208 633	131 448	-	-	-	-	-	-	68 989	-
Inventory Consumed (Project Maintenance)		15 934	39 462	39 167	46 821	41 121	41 121	33 722	48 609	34 289	42 455
Contracted Services		159 067	292 565	274 818	175 499	402 772	402 772	194 546	160 081	136 400	145 162
Operational Costs		40	9	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	9	383 674	463 484	313 986	222 320	443 893	443 893	228 267	208 691	239 678	187 617

MP326 City of Mbombela - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 01 - Council	Vote 02 - Office Of Council	Vote 03 - Municipal Manager	Vote 04 - City Planning And Development	Vote 05 - Corporate Services Department	Vote 06 - Strategic Management Services	Vote 07 - Financial Management	Vote 08 - Technical Services	Vote 09 - Social Services	Vote 10 - Community Services	Vote 11 - Public Works, Roads And	Vote 12 - Local Economic Development	Vote 13 - Water And Sanitation	Vote 14 - Energy	Vote 15 - Other	Total
R thousand																	
Revenue																	
Exchange Revenue																	
Service charges - Electricity									-					503	2 092 530		2 093 033
Service charges - Water									-					133 025			133 025
Service charges - Waste Water Management									-					33 537			33 537
Service charges - Waste Management											193 118						193 118
Sale of Goods and Rendering of Services			-	-	28 477	-	-	2 624	-	362	3 797	-	-	-	-	-	35 261
Agency services					-								-				-
Interest																	-
Interest earned from Receivables								44 217	-		-						44 217
Interest earned from Current and Non Current Assets								15 488		-	-						15 488
Dividends																	-
Rent on Land																	-
Rental from Fixed Assets			-	-	15 257	354	79		17 779		65		-				33 533
Licence and permits					322						-		-				322
Special rating levies																	-
Construction Contract Revenue																	-
Development Charges					32				-			2 537		10	3 601		6 179
Operational Revenue		-	-	-	-	11 920	-	39 349	-	-	-	-	126	7 087	57	-	58 539
Non-Exchange Revenue																	
Property rates								1 163 907									1 163 907
Surcharges and Taxes									-								-
Fines, penalties and forfeits		(0)		-	9 767		-	13	-	5	5	-	3 424		3 773	-	16 987
Licences or permits					-								-				-
Transfer and subsidies - Operational		-	-	-	-	-	-	160 405	-	5 254	191 002	-	-	642 026	246 610		1 245 298
Interest								39 736	-		-						39 736
Fuel Levy																	-
Operational Revenue								-	-		-						-
Gains on disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains								-	-	-	-	-	-	-	-	-	-
Discontinued Operations								-									-
Total Revenue (excluding capital transfers and con		(0)	-	-	53 855	12 275	79	1 465 740	-	23 400	387 998	2 537	3 550	816 187	2 346 571	-	5 112 180
Expenditure																	
Employee related costs		4 085	-	23 739	85 601	103 753	44 974	154 576	-	87 210	267 255	114 821	153 175	170 944	74 778	83 040	1 367 951
Remuneration of councillors		67 895	-														67 895
Bulk purchases - electricity															1 526 395		1 526 395
Inventory consumed		297	-	92	515	1 340	256	25 264	-	4 089	9 346	1 349	63	37 002	32 971	3 607	116 193
Debt impairment								118 214	-		18 834	-	-	15 616	33 722		186 386
Depreciation, amortisation and impairment		-	-	-	-	2 824	-	177 058	-	-	34 828	171 705	-	252 166	83 177	5 776	727 533
Interest, Dividends and Rent on Land								37 230	-								37 230
Contracted services		2 546	-	6 475	12 758	33 154	3 696	42 493	-	26 717	77 747	17 620	37 893	105 890	15 472	1 096	383 558
Transfers and subsidies		1 620	-	-	-	86	-	-	-	384	-	-	-	44 224			46 314
Irrecoverable debts written off																	-
Operational costs		925	-	22 071	3 458	18 535	279	10 151	-	3 085	3 665	1 104	83	27 084	1 461	127	92 026
Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses																	-
Total Expenditure		77 369	-	52 378	102 333	159 692	49 206	564 985	-	121 485	411 674	306 599	191 214	652 924	1 767 977	93 645	4 551 481
Surplus/(Deficit)		(77 369)	-	(52 378)	(48 478)	(147 418)	(49 126)	900 756	-	(98 085)	(23 688)	(304 063)	(187 664)	163 263	578 594	(93 645)	560 698
Transfers and subsidies - capital (monetary allocations)									-			446 228			22 824		469 052
Transfers and subsidies - capital (in-kind)									-								-
Surplus/(Deficit) after capital transfers & contributions		(77 369)	-	(52 378)	(48 478)	(147 418)	(49 126)	900 756	-	(98 085)	(23 688)	142 165	(187 664)	163 263	601 418	(93 645)	1 029 750

MP326 City of Mbombela - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand											
ASSETS											
Current Assets											
Cash and Cash Equivalents											
Call Deposits and Investments		100 093	73 018	36 328	73 018	36 328	36 328	120 893	36 328	36 328	36 328
Cash at Bank		105 120	66 973	106 426	205 727	242 517	242 517	(3 090)	144 921	149 658	162 129
Cash on Hand		97	100	-	100	-	-	(5)	-	-	-
Total Cash and Cash Equivalents		205 310	140 091	142 754	278 845	278 845	278 845	117 798	181 249	185 986	198 458
Short term Investments											
Deposit Taking Institutions											
Trade and other receivables from exchange transactions											
Electricity		217 506	254 400	373 516	644 505	623 083	623 083	137 753	787 435	819 882	866 692
Waste Management		89 659	132 831	179 120	168 545	210 836	210 836	57 922	228 375	230 851	234 121
Waste Water Management		18 311	23 387	31 848	26 897	31 713	31 713	10 228	36 378	36 650	36 967
Water		103 055	120 731	175 442	129 416	188 728	188 728	37 591	193 877	194 983	196 280
Other trade receivables from exchange transactions		95 097	290 832	312 913	318 372	316 740	316 740	16 903	383 107	376 846	377 948
VAT Receivable Input Tax Accrual											
Gross: Trade and other receivables from exchange transactions		523 628	822 180	1 072 839	1 287 736	1 371 100	1 371 100	260 398	1 629 172	1 659 212	1 702 009
Less: Impairment for debt											
Impairment for Electricity		(51 080)	(65 211)	(101 123)	(140 198)	(176 110)	(176 110)	-	(134 845)	(130 799)	(127 534)
Impairment for Waste Management		(82 746)	(116 316)	(159 611)	(132 636)	(175 931)	(175 931)	-	(178 445)	(176 185)	(174 362)
Impairment for Waste Water Management		(16 603)	(21 323)	(26 529)	(23 843)	(29 049)	(29 049)	-	(29 277)	(29 109)	(29 517)
Impairment for Water		(82 799)	(94 148)	(140 922)	(105 937)	(152 711)	(152 711)	-	(153 790)	(152 246)	(151 000)
Impairment for other trade receivables from exchange transactions		(31 257)	(11 720)	(12 439)	(39 542)	(40 261)	(40 261)	-	(35 532)	(32 761)	(30 525)
Total Less: Impairment for debt		(264 486)	(308 717)	(440 624)	(442 156)	(574 062)	(574 062)	-	(531 889)	(521 099)	(512 939)
Total net Trade and other receivables from Exchange Transactions		259 142	513 463	632 215	845 580	797 038	797 038	260 398	1 097 284	1 138 113	1 189 070
Receivables from non-exchange transactions											
Property rates											
Agricultural Properties		41 357	58 683	68 158	62 723	72 197	72 197	10 288	72 308	72 557	72 865
Business and Commercial Properties		6 217	8 397	6 169	(241 532)	(320 564)	(320 564)	1 582	(231 217)	(242 610)	(256 700)
Industrial Properties		68 418	102 567	118 207	343 050	358 691	358 691	30 566	362 454	374 109	388 522
Mining Properties		-	-	-	-	-	-	-	-	-	-
Public Benefit Organisations		667	2 235	1 198	2 686	1 649	1 649	157	1 594	1 618	1 647
Public Service Infrastructure Properties		69	35	37	35	37	37	1	37	37	37
Public Service Purposes Properties		71 248	104 137	153 482	125 622	174 967	174 967	41 155	166 931	167 738	168 736
Residential Properties		126 159	192 337	243 805	280 487	331 955	331 955	67 337	316 880	321 864	328 029
Residential Sectional Title Garages											
Sports Clubs and Fields											
Vacant Land		(0)	(0)	(0)	(0)	(0)	(0)	-	(0)	(0)	(0)
Property Rates General											
Gross: Property rates		314 134	468 390	591 055	573 070	618 931	618 931	151 086	688 987	695 313	703 136
Less: Impairment of Property rates		(244 873)	(267 536)	(349 409)	(371 678)	(453 551)	(453 551)	-	(444 530)	(468 490)	(491 384)
Net Property rates		69 261	200 854	241 647	201 392	165 381	165 381	151 086	244 457	226 823	211 752
Other receivables from non-exchange transactions		45 673	46 067	45 970	42 913	42 302	42 302	174 360	43 391	43 133	42 849
Less: Impairment for other receivables from non-exchange transactions		(43 070)	(43 453)	(43 671)	(43 453)	(43 671)	(43 671)	-	(43 671)	(43 671)	(43 671)
Net other receivables from non-exchange transactions		2 603	2 614	2 298	(540)	(1 369)	(1 369)	174 360	(281)	(539)	(822)
Total net Receivables from non-exchange transactions		71 864	203 468	243 945	200 852	164 012	164 012	325 446	244 176	226 284	210 930
Current Portion of Non-current Receivables											
Associates											
Bursary Obligations		381	985	1 890	985	1 890	1 890	-	1 890	1 890	1 890
Car											
Computer and Electronic Equipment											
Employee Benefits											
Finance Lease Receivable											
Housing		5	3	-	3	-	-	-	-	-	-
Housing Land Sales		15	-	-	-	-	-	-	-	-	-
Housing Selling Schemes		-	-	-	-	-	-	-	-	-	-
Intercompany/Parent-subsidiary Transactions											
Joint Ventures											
Operating Lease											
Public Organisation											
Sporting and Other Bodies											
Staff Loans/Recoveries		63	87	306	87	306	306	(37)	306	306	306
Subsidiaries											
Total Current Portion of Non-current Receivables		465	1 075	2 196	1 075	2 196	2 196	(37)	2 196	2 196	2 196

MP326 City of Mbombela - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	MTDP Service Outcome	IUDF	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29	
				R thousand									
TECHNICAL SERVICES				-	-	-	-	-	-	-	-		
LOCAL ECONOMIC DEVELOPMENT				8 596	6 827	6 365	5 197	5 297	5 297	-	-	-	
ENERGY				593 001	567 637	582 618	31	515 640	515 640	2 346 571	2 315 517	2 458 598	
WATER AND SANITATION				(3 924)	(2 980)	(3 162)	-	57	57	816 187	1 374 961	1 501 774	
PUBLIC SAFETY				(1 198)	(1 280)	-	-	-	-	3 550	5 621	6 175	
PUBLIC WORKS, ROADS AND TRANSPORT				-	-	-	-	-	-	2 537	2 613	2 691	
COMMUNITY SERVICES				335 578	364 282	371 453	364 882	371 020	371 020	393 240	236 750	224 275	
REGIONAL CENTRE CO-ORDINATION				845	746	815	507	833	833	18 146	11 116	11 228	
LEGAL SERVICES				1 489 340	1 777 882	1 989 010	2 904 605	2 823 001	2 823 001	-	-	-	
FINANCIAL MANAGEMENT				1 328 322	1 354 484	1 327 882	1 435 760	1 618 594	1 618 594	1 465 740	1 405 713	1 483 555	
STRATEGIC MANAGEMENT SERVICES				74	71	71	-	71	71	79	87	96	
CORPORATE SERVICES DEPARTMENT				6 813	1 673	5 655	17 001	4 799	4 799	12 275	12 787	13 322	
CITY PLANNING AND DEVELOPMENT DEPARTMENT				11 455	12 389	19 609	17 961	59 295	59 295	53 855	66 154	71 767	
MUNICIPAL MANAGER				9 158	25 479	9 151	18 572	9 831	9 831	-	-	-	
OFFICE OF COUNCIL				-	1 278	1 329	-	-	-	-	-	-	
COUNCIL				-	-	6	11	(0)	(0)	(0)	(0)	(0)	
Allocations to other priorities				2									
Total Revenue (excluding capital transfers and contributions)				1	3 778 059	4 108 488	4 310 803	4 764 528	5 408 437	5 408 437	5 112 180	5 431 318	5 773 480

MP326 City of Mbombela - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)													
Strategic Objective	MTDP Service Outcome	IUDF	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29	
R thousand													
Allocations to Other Priorities				-	-	-	-	-	-	-	-	-	
TECHNICAL SERVICES				2 858	2 453	1 933	2 692	3 177	3 177	-	-	-	
LOCAL ECONOMIC DEVELOPMENT				34 594	44 941	40 051	68 715	68 790	68 790	-	-	-	
ENERGY				33 390	20	31 738	-	-	-	1 767 977	1 960 232	2 097 697	
WATER AND SANITATION				72 155	-	46 142	-	-	-	652 924	687 482	690 848	
PUBLIC SAFETY				40 305	2 210	(536)	-	-	-	284 860	291 848	295 003	
PUBLIC WORKS, ROADS AND TRANSPORT				16 100	0	-	-	-	-	306 599	299 286	350 182	
COMMUNITY SERVICES				663 223	719 764	816 365	674 153	746 134	746 134	431 936	444 246	441 148	
REGIONAL CENTRE CO-ORDINATION				107 141	135 003	155 599	81 582	102 665	102 665	96 480	94 319	95 552	
LEGAL SERVICES				2 284 862	2 697 514	2 751 745	2 667 622	2 732 421	2 732 421	-	-	-	
FINANCIAL MANAGEMENT				698 498	513 902	510 284	423 083	595 880	595 880	564 985	567 654	552 083	
STRATEGIC MANAGEMENT SERVICES				54 493	59 504	63 993	65 994	68 881	68 881	63 554	65 365	51 905	
CORPORATE SERVICES DEPARTMENT				191 096	206 815	221 040	151 665	174 116	174 116	159 692	161 181	186 745	
CITY PLANNING AND DEVELOPMENT DEPARTMENT				86 053	68 581	89 589	71 148	77 352	77 352	92 727	95 315	97 244	
MUNICIPAL MANAGER				134 843	142 319	141 353	71 862	66 670	66 670	52 378	52 717	51 486	
OFFICE OF COUNCIL				11 430	7 019	7 560	-	-	-	-	-	-	
COUNCIL				74 406	86 634	77 351	79 583	82 014	82 014	77 369	78 412	80 436	
Allocations to other priorities													
Total Expenditure				1	4 505 446	4 686 678	4 954 208	4 358 098	4 718 098	4 718 098	4 551 481	4 798 057	4 990 330

MP326 City of Mbombela - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)												
Strategic Objective	MTDP Service Outcome	IUDF	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand												
TECHNICAL SERVICES				-	0	-	-	-	-	-	-	-
LOCAL ECONOMIC DEVELOPMENT				-	-	-	-	-	-	-	-	-
ENERGY				12 252	6 504	-	-	-	-	66 624	42 815	53 403
WATER AND SANITATION				9 273	926	-	-	-	-	63 500	136 000	199 926
PUBLIC SAFETY				14	-	-	-	-	-	-	-	-
PUBLIC WORKS, ROADS AND TRANSPORT				-	-	-	-	-	-	514 428	513 922	348 161
COMMUNITY SERVICES				286	2 237	2 807	17 700	16 100	16 100	-	-	-
REGIONAL CENTRE CO-ORDINATION				1 703	816	329	7 000	14 650	14 650	-	-	-
LEGAL SERVICES				207 167	187 750	709 837	678 484	734 048	734 048	4 000	-	-
FINANCIAL MANAGEMENT				12 506	24 915	38 144	11 750	25 100	25 100	63 000	-	55 000
STRATEGIC MANAGEMENT SERVICES				-	-	-	-	-	-	-	-	-
CORPORATE SERVICES DEPARTMENT				801	6 451	42 643	6 000	9 917	9 917	10 000	-	-
CITY PLANNING AND DEVELOPMENT DEPARTMENT				-	-	-	-	-	-	-	-	-
MUNICIPAL MANAGER				-	-	-	-	-	-	-	-	-
OFFICE OF COUNCIL				-	-	-	-	-	-	-	-	-
COUNCIL				-	-	-	-	-	-	-	-	-
Allocations to other priorities			3									
Total Capital Expenditure			1	244 001	229 598	793 761	720 934	799 816	799 816	721 552	692 737	656 490

MP326 City of Mbombela - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited	Audited	Audited	Original	Adjusted	Full Year	Budget Year	Budget Year	Budget Year
		Outcome	Outcome	Outcome	Budget	Budget	Forecast	2026/27	+1 2027/28	+2 2028/29
03 - Municipal Manager										
Energy Sources										
Electricity										
Electricity (At Least Min.Service Level)	Households	210 274	210 324		210 324	210 324	210 324	210 324	210 324	210 324
Formal Settlement Households	Households	9 000	8 927		8 927	8 927	8 927	8 927	8 927	
Informal Settlement Households	Households	17 154	17 154		17 154	17 154	17 154	17 154	17 154	
Informal Settlements (R000)	Rand Value	8778 020			9677 767	9677 767	9677 767	10161 656		
Other (R000)	Rand Value	8778 020			8778 020	8778 020	8778 020	8778 020		
Other Energy Sources	Households	16 071	16 071		16 071	16 071	16 071	16 071	16 071	16 071
Waste Management										
Solid Waste Disposal (Landfill Sites)										
Formal Settlement Households -	Households	129 606	132 198		132 198	132 198	132 198	132 198	132 198	
Informal Settlement Households -	Households		17 154		17 154	17 154	17 154	17 154	17 154	
Informal Settlements (R000)	Rand Value	19 970			19 970	19 970	19 970	19 970		
Informal Settlements Targeted For	Rand Value	215 004			215 004	215 004	215 004	215 004		
No Rubbish Disposal	Households	8 939	8 939		8 939	8 939	8 939	8 939	8 939	8 939
Other (R000)	Rand Value									
Removed At Least Once A Week	Households	90 947	90 846		90 846	90 846	90 846	90 846	90 846	90 846
Using Communal Refuse Dump	Households		133 170		133 170	133 170	133 170	133 170	133 170	133 170
Water Management										
Water Distribution										
Formal Settlement Households	Households	206 404	206 404		210 532	210 532	210 532	242 112	278 428	278 428
Informal Settlement Households	Households	55 171	54 068		54 068	54 068	54 068	54 068	54 068	54 068
Informal Settlements (R000)	Rand Value	22018 267	23365 961		24767 919	24767 919	24767 919	26253 994	27829 234	27829 234
No Water Supply	Households		36 849		36 849	36 849	36 849	36 849	36 849	36 849
Other (R000)	Rand Value									
Other Water Supply (< Min.Service	Households	2 175	2 175		2 175	2 175	2 175	2 175	2 175	2 175
Other Water Supply (At Least	Households		36 849		36 849	36 849	36 849	36 849	36 849	36 849
Piped Water Inside Dwelling	Households	52 024	52 024		91 231	91 231	91 231	93 055	93 055	93 055
Piped Water Inside Yard (But Not In	Households	2 697	2 697		2 590	2 590	2 590	2 538	2 538	2 538
Using Public Tap (At Least Min.Service	Households	116 747	116 747		159 929	159 929	159 929	159 929	159 929	159 929
08 - Technical Services										
Waste Water Management										
Sewerage										
Flush Toilet (Connected To Sewerage)	Households	114 164	106 852		106 852	106 852	106 852	106 852	106 852	106 852
Formal Settlement Households	Households	129 606	132 198		132 198	132 198	132 198	132 198	132 198	
Informal Settlements (R000)	Rand Value		26 298		27 876	27 876	27 876	31 321	33 201	
No Toilet Provisions	Households	17 801	17 445		17 445	17 445	17 445	17 445	17 445	17 445
Pit Toilet (Ventilated)	Households	98 257	15 147		15 147	15 147	15 147	15 147	15 147	15 147

MP326 City of Mbombela - Supporting Table SA8 Performance indicators and benchmarks

		2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
Description of financial indicator	Basis of calculation	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<u>Borrowing Management</u>											
Credit Rating					Baa1 za	Baa1 za	Baa1 za	0			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	3,5%	3,2%	3,5%	2,2%	0,7%	0,7%	0,5%	1,3%	1,3%	1,3%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	4,2%	3,6%	4,0%	2,0%	0,6%	0,6%	0,4%	1,1%	1,1%	1,2%
Borrowed funding of 'own n' capital expenditure	Borrowing/Capital expenditure ex.cl. transfers and grants and contributions	0,0%	-1,7%	-0,3%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	0,3	0,5	0,4	1,0	0,9	0,9	3,0	1,4	1,8	2,1
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0,3	0,5	0,4	1,0	0,9	0,9	3,0	1,4	1,8	2,1
Liquidity Ratio	Monetary Assets/Current Liabilities	0,1	0,2	0,2	0,6	0,5	0,5	1,2	0,8	1,1	1,3
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0,0%	143,7%	134,4%	136,3%	140,1%	143,0%	143,0%	121,7%	138,1%	137,2%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		143,7%	134,4%	136,3%	140,1%	143,0%	143,0%	121,7%	138,1%	137,2%	136,8%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	21,4%	24,7%	28,3%	20,0%	20,0%	20,0%	13,3%	23,8%	22,0%	20,5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Creditors to Cash and Investments		-629,0%	-76,4%	-1745,2%	580,7%	697,8%	697,8%	-1,7%	733,2%	570,2%	457,0%
<u>Other Indicators</u>											
	Total Volume Losses (kW) technical	0	0	0	0	0	0	0	0	0	0
	Total Volume Losses (kW) non technical										
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)	-	-	-	-	-	-	-	-	-	-
	% Volume (units purchased and generated less units sold)/units purchased and generated	-	-	-	-	-	-	-	-	-	-
Water Volumes :System input	Bulk Purchase										
	Water treatment works										
	Natural sources										
	Total Volume Losses (kℓ)	-	-	-	-	-	-	-	-	-	-
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
	% Volume (units purchased and generated less units sold)/units purchased and generated	-	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	33,2%	32,3%	32,3%	27,1%	23,9%	23,9%	23,4%	26,8%	26,2%	25,6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	34,9%	33,9%	33,8%	28,5%	25,1%	25,1%	35,2%	28,1%	27,5%	26,9%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	10,2%	11,3%	7,3%	4,7%	8,2%	8,2%	5,1%	4,1%	4,4%	3,2%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	19,2%	17,4%	12,4%	17,6%	15,2%	15,2%	7,2%	15,0%	15,7%	14,8%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	441,4	480,4	153,4	143,9	163,4	469,4	111,6	124,6	117,6	125,0
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	30,6%	39,4%	46,1%	28,4%	32,3%	32,3%	33,5%	36,3%	33,0%	30,1%
iii. Cost coverage	(Av ailable cash + Investments)/monthly fixed operational expenditure	(1,1)	(8,7)	(0,5)	0,7	0,9	0,7	3,2	0,4	-	-

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
	8 10 9 10	Household service targets (000)									
		Water:									
		Piped water inside dwelling	52 024	52 024	-	91 231	91 231	91 231	93 055	93 055	93 055
		Piped water inside yard (but not in dwelling)	2 697	2 697	-	2 590	2 590	2 590	2 538	2 538	2 538
		Using public tap (at least min.service level)	116 747	116 747	-	159 929	159 929	159 929	159 929	159 929	159 929
		Other water supply (at least min.service level)	-	36 849	-	36 849	36 849	36 849	36 849	36 849	36 849
		Minimum Service Level and Above sub-total	171 468	208 317	-	290 599	290 599	290 599	292 372	292 372	292 372
		Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
		Other water supply (< min.service level)	2 175	2 175	-	2 175	2 175	2 175	2 175	2 175	2 175
		No water supply	-	36 849	-	36 849	36 849	36 849	36 849	36 849	36 849
		Below Minimum Service Level sub-total	2 175	39 024	-	39 024	39 024	39 024	39 024	39 024	39 024
		Total number of households	173 643	247 341	-	329 623	329 623	329 623	331 396	331 396	331 396
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	114 164	106 852	-	106 852	106 852	106 852	106 852	106 852	106 852
		Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
		Chemical toilet	-	-	-	-	-	-	-	-	-
		Pit toilet (ventilated)	98 257	15 147	-	15 147	15 147	15 147	15 147	15 147	15 147
		Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
		Minimum Service Level and Above sub-total	212 421	121 999	-	121 999	121 999	121 999	121 999	121 999	121 999
		Bucket toilet	-	-	-	-	-	-	-	-	-
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	17 801	17 445	-	17 445	17 445	17 445	17 445	17 445	17 445
		Below Minimum Service Level sub-total	17 801	17 445	-	17 445	17 445	17 445	17 445	17 445	17 445
		Total number of households	230 222	139 444	-	139 444	139 444	139 444	139 444	139 444	139 444
		Energy:									
		Electricity (at least min.service level)	210 274	210 324	-	210 324	210 324	210 324	210 324	210 324	210 324
		Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
		Minimum Service Level and Above sub-total	210 274	210 324	-	210 324	210 324	210 324	210 324	210 324	210 324
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	16 071	16 071	-	16 071	16 071	16 071	16 071	16 071	16 071
		Below Minimum Service Level sub-total	16 071	16 071	-	16 071	16 071	16 071	16 071	16 071	16 071
		Total number of households	226 345	226 395	-	226 395	226 395	226 395	226 395	226 395	226 395
		Refuse:									
		Removed at least once a week	90 947	90 846	-	90 846	90 846	90 846	90 846	90 846	90 846
		Minimum Service Level and Above sub-total	90 947	90 846	-	90 846	90 846	90 846	90 846	90 846	90 846
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	133 170	-	133 170	133 170	133 170	133 170	133 170	133 170
		Using own refuse dump	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	8 939	8 939	-	8 939	8 939	8 939	8 939	8 939	8 939
		Below Minimum Service Level sub-total	8 939	142 109	-	142 109	142 109	142 109	142 109	142 109	142 109
		Total number of households	99 886	232 955	-	232 955	232 955	232 955	232 955	232 955	232 955

Municipal in-house services	Ref		2022/23	2023/24	2024/25	Current Year 2023/26			2026/27 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	52 024	52 024	-	91 231	91 231	91 231	93 055	93 055	93 055
		Piped water inside yard (but not in dwelling)	2 697	2 697	-	2 590	2 590	2 590	2 538	2 538	2 538
8		Using public tap (at least min.service level)	116 747	116 747	-	159 929	159 929	159 929	159 929	159 929	159 929
10		Other water supply (at least min.service level)	-	36 849	-	36 849	36 849	36 849	36 849	36 849	36 849
		Minimum Service Level and Above sub-total	171 468	208 317	-	290 599	290 599	290 599	292 372	292 372	292 372
9		Using public tap (< min.service level)									
10		Other water supply (< min.service level)	2 175	2 175	-	2 175	2 175	2 175	2 175	2 175	2 175
		No water supply	-	36 849	-	36 849	36 849	36 849	36 849	36 849	36 849
		Below Minimum Service Level sub-total	2 175	39 024	-	39 024	39 024	39 024	39 024	39 024	39 024
		Total number of households	173 643	247 341	-	329 623	329 623	329 623	331 396	331 396	331 396
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	114 164	106 852	-	106 852	106 852	106 852	106 852	106 852	106 852
		Flush toilet (with septic tank)									
		Chemical toilet									
		Pit toilet (ventilated)	98 257	15 147	-	15 147	15 147	15 147	15 147	15 147	15 147
		Other toilet provisions (> min.service level)									
		Minimum Service Level and Above sub-total	212 421	121 999	-	121 999	121 999	121 999	121 999	121 999	121 999
		Bucket toilet									
		Other toilet provisions (< min.service level)									
		No toilet provisions	17 801	17 445	-	17 445	17 445	17 445	17 445	17 445	17 445
		Below Minimum Service Level sub-total	17 801	17 445	-	17 445	17 445	17 445	17 445	17 445	17 445
		Total number of households	230 222	139 444	-	139 444	139 444	139 444	139 444	139 444	139 444
		Energy:									
		Electricity (at least min.service level)	210 274	210 324	-	210 324	210 324	210 324	210 324	210 324	210 324
		Electricity - prepaid (min.service level)									
		Minimum Service Level and Above sub-total	210 274	210 324	-	210 324	210 324	210 324	210 324	210 324	210 324
		Electricity (< min.service level)									
		Electricity - prepaid (< min. service level)									
		Other energy sources	16 071	16 071	-	16 071	16 071	16 071	16 071	16 071	16 071
		Below Minimum Service Level sub-total	16 071	16 071	-	16 071	16 071	16 071	16 071	16 071	16 071
		Total number of households	226 345	226 395	-	226 395	226 395	226 395	226 395	226 395	226 395
		Refuse:									
		Removed at least once a week	90 947	90 846	-	90 846	90 846	90 846	90 846	90 846	90 846
		Minimum Service Level and Above sub-total	90 947	90 846	-	90 846	90 846	90 846	90 846	90 846	90 846
		Removed less frequently than once a week									
		Using communal refuse dump	-	133 170	-	133 170	133 170	133 170	133 170	133 170	133 170
		Using own refuse dump									
		Other rubbish disposal									
		No rubbish disposal	8 939	8 939	-	8 939	8 939	8 939	8 939	8 939	8 939
		Below Minimum Service Level sub-total	8 939	142 109	-	142 109	142 109	142 109	142 109	142 109	142 109
		Total number of households	99 886	232 955	-	232 955	232 955	232 955	232 955	232 955	232 955

MP326 City of Mbombela Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	(496 528)	(3 361 688)	(210 916)	278 845	278 845	278 845	1 364 958	181 244	185 981	198 452
Cash + investments at the yr end less applications - R'000	18(1)b	2	(3 583 942)	(5 696 078)	(3 416 821)	(939 027)	(1 314 005)	(1 314 005)	1 691 648	120 389	415 067	614 406
Cash year end/monthly employee/supplier payments	18(1)b	3	(1,1)	(8,7)	(0,5)	0,7	0,9	0,7	3,2	0,4	-	-
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(176 315)	(118 858)	(90 548)	873 413	1 166 705	1 166 705	1 278 167	1 029 750	1 156 683	1 291 939
Service charge rev % change - macro CPIX target exclusi	18(1)a,(2)	5	N.A.	8,8%	2,5%	6,7%	(0,7%)	(6,0%)	(37,5%)	(3,2%)	1,1%	1,4%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	47,5%	48,1%	55,1%	38,7%	37,6%	37,6%	68,6%	94,3%	94,3%	94,2%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	13,5%	1,5%	4,0%	3,3%	3,2%	3,2%	0,0%	5,2%	5,2%	5,2%
Capital payments % of capital expenditure	18(1)c;19	8	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Borrowing receipts % of capital expenditure (ex cl. transfers	18(1)c	9	0,0%	(1,7%)	(0,3%)	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0,0%	0,0%	0,0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	116,6%	22,3%	19,3%	(8,0%)	0,0%	(39,2%)	129,4%	1,7%	2,6%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	3,3%	0,1%	(0,1%)	0,1%	0,0%	(100,0%)	0,0%	0,0%	0,0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	5,8%	7,2%	4,7%	3,5%	6,6%	6,6%	3,1%	3,7%	2,9%	0,0%
Asset renewal al % of capital budget	20(1)(vi)	14	25,6%	6,4%	44,8%	30,1%	36,9%	36,9%	0,0%	22,2%	22,2%	16,8%
References												
1. Positive cash balances indicative of minimum compliance - subject to 2												
2. Deduct cash and investment applications (defined) from cash balances												
3. Indicative of sufficient liquidity to meet average monthly operating payments												
4. Indicative of funded operational requirements												
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)												
6. Realistic average cash collection forecasts as % of annual billed revenue												
7. Realistic average increase in debt impairment (doubtful debt) provision												
8. Indicative of planned capital expenditure level & cash payment timing												
9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing												
10. Substantiation of National/Province allocations included in budget												
11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)												
12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)												
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection												
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection												
Supporting indicators												
% incr total service charges (incl prop rates)	18(1)a		0,0%	14,8%	8,5%	12,7%	5,3%	0,0%	(31,5%)	2,8%	7,1%	7,4%
% incr Property Tax	18(1)a		0,0%	21,4%	4,2%	10,4%	5,3%	0,0%	(32,2%)	(1,6%)	5,7%	6,7%
% incr Service charges - Electricity	18(1)a		0,0%	12,7%	12,8%	15,8%	5,8%	0,0%	(32,1%)	4,9%	8,0%	8,0%
% incr Service charges - Water	18(1)a		0,0%	7,1%	(3,9%)	2,2%	0,0%	0,0%	(28,4%)	4,7%	6,0%	6,0%
% incr Service charges - Waste Water Management	18(1)a		0,0%	10,4%	0,0%	4,9%	11,0%	0,0%	(24,8%)	11,2%	6,0%	6,0%
% incr Service charges - Waste Management	18(1)a		0,0%	3,6%	6,3%	6,0%	2,8%	0,0%	(24,0%)	6,7%	6,0%	6,0%
% incr in Sale of Goods and Rendering of Services	18(1)a		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Total billable revenue	18(1)a		2 378 698	2 730 137	2 961 714	3 338 860	3 516 860	3 516 860	2 407 322	3 616 619	3 872 476	4 158 842
Service charges			2 378 698	2 730 137	2 961 714	3 338 860	3 516 860	3 516 860	2 407 322	3 616 619	3 872 476	4 158 842
Property rates			803 090	975 218	1 016 588	1 122 539	1 182 539	1 182 539	801 791	1 163 907	1 230 741	1 313 393
Service charges - electricity revenue			1 280 693	1 443 472	1 628 893	1 886 167	1 996 167	1 996 167	1 354 442	2 093 033	2 260 475	2 441 314
Service charges - water revenue			120 776	129 367	124 338	127 078	127 078	127 078	90 986	133 025	141 006	149 467
Service charges - sanitation revenue			23 436	25 880	25 891	27 165	30 165	30 165	22 692	33 537	35 549	37 682
Service charges - refuse removal			150 703	156 199	166 004	175 911	180 911	180 911	137 411	193 118	204 705	216 987
Agency services			-	-	-	-	-	-	-	-	-	-
Capital expenditure excluding capital grant funding			90 132	67 570	333 116	253 950	321 517	321 517	123 274	252 500	169 315	147 700
Cash receipts from ratepayers	18(1)a		3 951 079	4 182 137	4 635 805	3 654 572	3 965 606	3 965 606	4 551 745	3 514 329	3 762 106	4 039 222
Ratepayer & Other revenue	18(1)a		8 318 764	8 685 884	8 413 754	9 448 710	10 541 765	10 541 765	6 635 643	3 727 728	3 991 129	4 285 806
Change in consumer debtors (current and non-current)			N/A	386 603	160 354	169 148	(84 259)	-	(379 606)	760 017	22 937	35 603
Operating and Capital Grant Revenue	18(1)a		1 507 222	1 524 122	1 658 139	1 679 715	1 689 097	1 689 097	1 582 141	1 714 350	1 814 032	1 834 497
Capital expenditure - total	20(1)(vi)		244 001	229 598	793 761	720 934	799 816	799 816	558 570	721 552	692 737	656 490
Capital expenditure - renewal	20(1)(vi)		62 380	14 672	355 920	217 000	295 178	295 178		159 850	153 850	110 500
Supporting benchmarks												
Grow th guideline maximum			6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%
CPI guideline			4,3%	3,9%	4,6%	5,0%	5,0%	5,0%	5,0%	5,4%	5,6%	5,4%

Change in consumer debtors (current and non-current)		N/A	386 603	160 354	169 148	(84 259)	–	(379 606)	760 017	22 937	35 603
Total Operating Revenue		3 778 059	4 108 488	4 310 803	4 764 528	5 408 437	5 408 437	4 079 696	5 112 180	5 431 318	5 773 480
Total Operating Expenditure		4 505 446	4 686 678	4 954 208	4 358 098	4 718 098	4 718 098	3 185 480	4 551 481	4 798 057	4 990 330
Operating Performance Surplus/(Deficit)		(727 387)	(578 190)	(643 404)	406 429	690 339	690 339	894 216	560 698	633 261	783 149
Cash and Cash Equivalents (30 June 2012)									181 244		
Revenue											
% Increase in Total Operating Revenue			8,7%	4,9%	10,5%	13,5%	0,0%	(24,6%)	(5,5%)	6,2%	6,3%
% Increase in Property Rates Revenue			21,4%	4,2%	10,4%	5,3%	0,0%	(32,2%)	45,2%	5,7%	6,7%
% Increase in Electricity Revenue			12,7%	12,8%	15,8%	5,8%	0,0%	(32,1%)	4,9%	8,0%	8,0%
% Increase in Property Rates & Services Charges			14,8%	8,5%	12,7%	5,3%	0,0%	(31,5%)	2,8%	7,1%	7,4%
Expenditure											
% Increase in Total Operating Expenditure		0,0%	4,0%	5,7%	(12,0%)	8,3%	0,0%	(32,5%)	(3,5%)	5,4%	4,0%
% Increase in Employee Costs		0,0%	5,8%	4,8%	(7,3%)	0,0%	0,0%	(26,1%)	6,0%	4,0%	4,0%
% Increase in Electricity Bulk Purchases		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Average Cost Per Budgeted Employee Position (Remuneration)		0	178878,6741	712883,2301	234062,5812	667229,5597	86072613,2	410372,1604	588113,2356	794787,3978	295915243,8
Average Cost Per Councillor (Remuneration)		0	0	0	726518,7303	0	726518,7303	491498,2809	762867,7865	0	809326,427
R&M % of PPE		5,8%	7,2%	4,7%	3,5%	6,6%	6,6%	3,1%	3,1%	3,7%	2,9%
Asset Renewal and R&M as a % of PPE		8,2%	8,7%	13,7%	10,5%	15,5%	15,5%	10,4%	10,4%	10,6%	7,5%
Debt Impairment % of Total Billable Revenue		13,5%	1,5%	4,0%	3,3%	3,2%	3,2%	0,0%	5,2%	5,2%	5,2%
Capital Revenue											
Internally Funded & Other (R'000)		90 132	67 570	333 116	253 950	321 517	321 517	123 274	252 500	169 315	147 700
Borrowing (R'000)		–	–	–	–	–	–	–	–	–	–
Grant Funding and Other (R'000)		153 868	162 028	460 645	466 984	478 299	478 299	435 295	469 052	523 422	508 790
Internally Generated funds % of Non Grant Funding		100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Borrowing % of Non Grant Funding		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Grant Funding % of Total Funding		63,1%	70,6%	58,0%	64,8%	59,8%	59,8%	77,9%	65,0%	75,6%	77,5%
Capital Expenditure											
Total Capital Programme (R'000)		244 001	229 598	793 761	720 934	799 816	799 816	558 570	721 552	692 737	656 490
Asset Renewal		152 155	97 860	597 578	449 884	589 689	589 689	–	479 528	449 922	297 726
Asset Renewal % of Total Capital Expenditure		62,4%	42,6%	75,3%	62,4%	73,7%	73,7%	0,0%	66,5%	64,9%	45,4%
Cash											
Cash Receipts % of Rate Payer & Other		47,5%	48,1%	55,1%	38,7%	37,6%	37,6%	68,6%	94,3%	94,3%	94,2%
Cash Coverage Ratio		(0)	(0)	(0)	0	0	0	0	0	–	–
Borrowing											
Most recent Credit Rating									Baa1 za		
Capital Charges to Operating		3,5%	3,2%	3,5%	2,2%	0,7%	0,7%	0,5%	1,3%	1,3%	1,3%
Borrowing Receipts % of Capital Expenditure		0,0%	(1,7%)	(0,3%)	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Reserves											
Uncommitted reserves after application of cash and investments		(3 583 942)	(5 696 078)	(3 416 821)	(939 027)	(1 314 005)	(1 314 005)	1 691 648	120 389	415 067	614 406
Free Services											
Free Basic Services as a % of Equitable Share		4,9%	3,0%	0,8%	5,6%	5,6%	5,6%	4,3%	4,3%	2,8%	2,8%
Free Services as a % of Operating Revenue (excl operational transfers)		2,6%	3,4%	3,7%	3,0%	2,5%	2,5%	4,4%	3,3%	3,2%	3,2%
High Level Outcome of Funding Compliance											
Total Operating Revenue		3 778 059	4 108 488	4 310 803	4 764 528	5 408 437	5 408 437	4 079 696	5 112 180	5 431 318	5 773 480
Total Operating Expenditure		4 505 446	4 686 678	4 954 208	4 358 098	4 718 098	4 718 098	3 185 480	4 551 481	4 798 057	4 990 330
Surplus/(Deficit) Budgeted Operating Statement		(727 387)	(578 190)	(643 404)	406 429	690 339	690 339	894 216	560 698	633 261	783 149
Surplus/(Deficit) Considering Reserves and Cash Backing		(3 583 942)	(5 696 078)	(3 416 821)	(939 027)	(1 314 005)	(1 314 005)	1 691 648	120 389	415 067	614 406
MTREF Funded (1) / Unfunded (0)	15	0	0	0	0	0	0	1	1	1	1
MTREF Funded ✓ / Unfunded ✗	15	✗	✗	✗	✗	✗	✗	✓	✓	✓	✓

MP326 City of Mbombela - Supporting Table SA11 Property rates summary

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Valuation:	1									
Date of valuation:		2000/01/01	2000/01/01	2023/07/02	2023/07/02					
Financial year valuation used		0	0	0	0			0		
Municipal by-laws s6 in place? (Y/N)	2			Yes	No					
Municipal/assistant valuer appointed? (Y/N)				Yes	No					
Municipal partnership s38 used? (Y/N)				No	No					
No. of assistant valuers (FTE)	3	-	3	-	3	No	No	2	2	2
No. of data collectors (FTE)	3	-								
No. of internal valuers (FTE)	3	-	3	3	3	4	4	4	4	4
No. of external valuers (FTE)	3	-	2	2	2	1	1	-	-	-
No. of additional valuers (FTE)	4	-	-	-	-	-	-	-	-	-
Valuation appeal board established? (Y/N)			Yes	Yes	No					
Implementation time of new valuation roll (mths)		-	-	-	-			12		
No. of properties	5	-	83 392	85 000	85 000	85 000	85 000	85 660	85 660	85 660
No. of sectional title values	5									
No. of unreasonably difficult properties s7(2)										
No. of supplementary valuations		-	-	1	-	1	1	1	1	-
No. of valuation roll amendments		-	-		-	-	-	-	-	-
No. of objections by rate payers		-	-	2 000	-	-	-	-	-	-
No. of appeals by rate payers		-	-	110	-	-	-	-	-	-
No. of successful objections	8									
No. of successful objections > 10%	8									
Supplementary valuation										
Public service infrastructure value (Rm)	5	-	147	-	158	158	158	158	158	-
Municipality owned property value (Rm)		-	1 715	1 715	1 768	1 768	1 768	1 768	1 768	-
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)										
Valuation reductions-nature reserves/park (Rm)										
Valuation reductions-mineral rights (Rm)										
Valuation reductions-R15,000 threshold (Rm)		-	-	-	10	10	10	10	10	-
Valuation reductions-public worship (Rm)		-	462	-	509	509	509	509	509	-
Valuation reductions-other (Rm)										
Total valuation reductions:		-	462	-	519	519	519	519	519	-
Total value used for rating (Rm)	5	-	-	-	103 402	103 402	103 402	-	-	-
Total land value (Rm)	5									
Total value of improvements (Rm)	5									
Total market value (Rm)	5	-	-	-	103 402	103 402	103 402	-	-	-
Rating:										
Residential rate used to determine rate for other categories? (Y/N)			No		No			No		
Differential rates used? (Y/N)	5									
Limit on annual rate increase (s20)? (Y/N)										
Special rating area used? (Y/N)										
Phasing-in properties s21 (number)		0	0	0	0	0	0	0	0	0
Rates policy accompanying budget? (Y/N)				No	No			Yes		
Fixed amount minimum value (R'000)		-	-	-	-			-		
Non-residential prescribed ratio s19? (%)		0,0%	0,0%	0,0%	0,0%			0,0%		
Rate revenue:										
Rate revenue budget (R'000)	6	-	1 084 677	1 084 677	121 884 990	121 884 990	121 884 990	121 884 990	121 884 990	-
Rate revenue expected to collect (R'000)	6	-	1 084 677	1 084 677	115 790 740	115 790 740	115 790 740	115 790 740	115 790 740	-
Expected cash collection rate (%)		0,0%	87,9%	95,0%	93,0%	93,0%	93,0%	94,0%	95,0%	0,0%
Special rating areas (R'000)	7									
Rebates, exemptions - indigent (R'000)		-	13 957	13 957	16 193	16 193	16 193	16 193	16 193	-
Rebates, exemptions - pensioners (R'000)		-	6 978	6 978	8 090	8 090	8 090	8 090	8 090	-
Rebates, exemptions - bona fide farm. (R'000)										
Rebates, exemptions - other (R'000)		-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)										
Total rebates, exemptns, reductns, discs (R'000)		-	20 935	20 935	24 283	24 283	24 283	24 283	24 283	-

MP326 City of Mbombela - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)
Budget Year 2026/27												
Valuation:												
No. of properties		2 815	525	–	74 549	4 930	34	336	692	1 483	–	–
No. of sectional title property values		686	–	–	4 398	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)												
No. of supplementary valuations												
Supplementary valuation (Rm)												
No. of valuation roll amendments												
No. of objections by rate-payers		368	7	–	1 927	–	–	–	–	–	–	–
No. of appeals by rate-payers												
No. of appeals by rate-payers finalised												
No. of successful objections	5											
No. of successful objections > 10%	5											
Estimated no. of properties not valued												
Years since last valuation (select)		3	3	3	3		3		3			
Frequency of valuation (select)		5	5	5	5		5		5			
Method of valuation used (select)		Market	Market	Market	Market		Market		Market			
Base of valuation (select)		Land & Impr.	Land & Impr.	Land & Impr.	Land & Impr.		Land & Impr.		Land & Impr.			
Phasing-in properties s21 (number)												
Combination of rating types used? (Y/N)		No	No	No	Yes		No		No			
Flat rate used? (Y/N)		No	No	No	No		No		No			
Is balance rated by uniform rate/variable rate?												
Valuation reductions:												
Valuation reductions-public infrastructure (Rm)		–	–	–	–	–	–	–	535	–	–	–
Valuation reductions-nature reserves/park (Rm)												
Valuation reductions-mineral rights (Rm)												
Valuation reductions-R15,000 threshold (Rm)		–	–	–	1 064	–	–	–	–	–	–	–
Valuation reductions-public worship (Rm)		–	–	–	1 089	–	–	–	–	–	–	–
Valuation reductions-other (Rm)	2	–	–	–	–	–	6	–	50	–	–	–
Total valuation reductions:												
Total value used for rating (Rm)	6	22 041	2 333	–	48 574	14 261	1 445	5 739	–	–	–	–
Total land value (Rm)	6	0	0	–	0	–	–	–	–	–	–	–
Total value of improvements (Rm)	6											
Total market value (Rm)	6	22 041	2 333	–	48 574	14 261	1 445	5 739	0	–	–	–
Rating:												
Average rate	3	0,022140	0,020870	–	0,009800	0,002460	0,002320	0,027100	0,002460	–	–	–
Rate revenue budget (R'000)		487 984	51 654	–	477 966	35 082	3 555	155 302	–	–	–	–
Rate revenue expected to collect (R'000)		448 945	47 522	–	439 729	32 275	3 270	142 878	340	–	–	–
Expected cash collection rate (%)	4	95,0%	95,0%	0,0%	95,0%	0,0%	95,0%	0,0%	95,0%	0,0%	0,0%	0,0%
Special rating areas (R'000)												
Rebates, exemptions - indigent (R'000)		–	–	–	13 167	–	–	–	–	–	–	–
Rebates, exemptions - pensioners (R'000)		–	–	–	27 560	–	–	–	–	–	–	–
Rebates, exemptions - bona fide farm. (R'000)												
Rebates, exemptions - other (R'000)		–	–	–	80 826	–	–	–	–	–	–	–
Phase-in reductions/discounts (R'000)												
Total rebates, exemptions, reductions, discounts (R'000)												

MP326 City of Mbombela - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2022/23	2023/24	2024/25	Current Year 2025/26	2026/27 Medium Term Revenue & Expenditure Framework		
							Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Property rates (rate in the Rand)	1								
Residential properties			1,2657	0,7755	0,0087	0,8250	0,0098	0,0104	0,0111
Residential properties - vacant land			-	-	-	-	-	-	-
Formal/informal settlements			-	-	-	-	-	-	-
Small holdings			-	-	-	-	-	-	-
Farm properties - used			-	-	0,0022	0,0098	0,0025	0,0026	0,0028
Farm properties - not used			-	-	-	-	-	-	-
Industrial properties			-	-	-	0,0098	0,0221	0,0235	0,0249
Business and commercial properties			2,6569	0,0196	0,0196	0,0209	0,0221	0,0235	0,0249
Communal land - residential			-	-	-	-	-	-	-
Communal land - small holdings			-	-	-	-	-	-	-
Communal land - farm property			-	-	-	-	-	-	-
Communal land - business and commercial			-	-	-	-	-	-	-
Communal land - other			-	-	-	-	-	-	-
State-owned properties			3,1883	-	0,0240	0,0098	0,0271	0,0287	0,0304
Municipal properties			-	-	-	-	-	-	-
Public service infrastructure			0,2062	0,1938	0,0022	0,2063	0,0025	0,0026	0,0028
Privately owned towns serviced by the State trust land			-	-	-	-	-	-	-
Restitution and redistribution properties			-	-	-	-	-	-	-
Protected areas			-	-	-	-	-	-	-
National monuments properties			-	-	-	-	-	-	-
Property rates by usage									
Business and commercial properties			2	-	-	-	-	-	-
Industrial properties			-	-	-	-	-	-	-
Mining properties			2	2	-	-	-	-	-
Residential properties			-	-	-	-	-	-	-
Agricultural properties			0	0	-	0	0	0	0
Public benefit organisations			1	-	-	-	-	-	-
Public service purpose properties			1	-	-	-	-	-	-
Public service infrastructure properties			-	-	-	-	-	-	-
Vacant land			-	-	-	-	-	-	-
Sport Clubs and Fields (Bilou only)			-	-	-	-	-	-	-
Sectional Title Garages (Drakenstein only)			-	-	-	-	-	-	-
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate			-	125 000	125 000	125 000	125 000	125 000	125 000
Indigent rebate or exemption			-	13 956 554	13 956 554	13 956 554	16 193 138	16 193 138	16 193 138
Pensioners/social grants rebate or exemption			-	6 978 277	6 978 277	6 978 277	8 090 192	8 090 192	8 090 192
Temporary relief rebate or exemption			-	-	-	-	-	-	-
Bona fide farmers rebate or exemption			-	125 000	-	-	-	-	-
Other rebates or exemptions	2								
Water tariffs									
Domestic									
Basic charge/fee (Rands/month)		Domestic	140	149	168	149	168	178	189
Service point - vacant land (Rands/month)			-	149	149	158	189	198	210
Water usage - flat rate tariff (c/k)			-	-	-	-	-	-	-
Water usage - life line tariff			-	-	-	-	-	-	-
Water usage - Block 1 (c/k)			-	-	37	0	0	0	0
Water usage - Block 2 (c/k)			-	-	41	0	0	0	0
Water usage - Block 3 (c/k)			-	-	-	0	0	1	1
Water usage - Block 4 (c/k)		(fill in thresholds)							
Water usage - Block 5 (c/k)		(fill in thresholds)							
Water usage - Block 6 (c/k)		(fill in thresholds)							
Other	2								
Waste water tariffs									
Domestic									
Basic charge/fee (Rands/month)		Domestic Customers	78	77	82	82	98	104	104
Service point - vacant land (Rands/month)			-	-	-	-	-	-	-
Waste water - flat rate tariff (c/k)			-	-	-	-	-	-	-
Volumetric charge - Block 1 (c/k)		(fill in structure)							
Volumetric charge - Block 2 (c/k)		(fill in structure)							
Volumetric charge - Block 3 (c/k)		(fill in structure)							
Volumetric charge - Block 4 (c/k)		(fill in structure)							
Other	2								
Electricity tariffs									
Domestic									
Basic charge/fee (Rands/month)			-	-	-	-	-	-	-
Service point - vacant land (Rands/month)		residencia basic vacant	-	300	-	349	453	517	589
FBE			-	172	-	200	286	326	372
Life-line tariff - meter		(describe structure)							
Life-line tariff - prepaid		(describe structure)							
Flat rate tariff - meter (c/kwh)			-	-	-	-	-	-	-
Flat rate tariff - prepaid (c/kwh)			-	-	-	-	-	-	-
Meter - IBT Block 1 (c/kwh)			-	134	-	156	223	254	254
Meter - IBT Block 2 (c/kwh)			-	176	-	204	293	334	374
Meter - IBT Block 3 (c/kwh)			-	241	-	281	402	458	-
Meter - IBT Block 4 (c/kwh)			-	-	-	322	462	526	600
Meter - IBT Block 5 (c/kwh)		(fill in thresholds)							
Prepaid - IBT Block 1 (c/kwh)			-	134	-	156	223	254	254
Prepaid - IBT Block 2 (c/kwh)			-	176	-	204	293	336	374
Prepaid - IBT Block 3 (c/kwh)			-	176	-	281	402	458	468
Prepaid - IBT Block 4 (c/kwh)			-	-	-	-	462	517	579
Prepaid - IBT Block 5 (c/kwh)		(fill in thresholds)							
Other	2								
Waste management tariffs									
Domestic									
Street cleaning charge			-	-	-	-	-	-	-
Basic charge/fee			-	-	-	-	-	-	-
80l bin - once a week			-	-	-	-	-	-	-
250l bin - once a week			-	-	-	-	-	-	-

MP326 City of Mbombela - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand										
RECEIPTS	1,2									
Operating										
National Government										
Monetary Allocations										
Equitable Share		948 458	1 049 002	1 120 727	1 182 249	1 182 249	1 182 249	1 233 444	1 287 910	1 322 907
EEDS: RECEIPTS		4 284	5 000	5 000	4 000	4 000	4 000	4 000	-	-
EPWP: RECEIPTS		8 555	6 658	5 117	5 777	5 777	5 777	5 254	-	-
EXMSG: RECEIPTS		-	-	-	-	-	-	-	-	-
LGFMG: RECEIPTS		2 650	2 650	2 600	2 600	2 600	2 600	2 600	2 700	2 800
MDG: RECEIPTS		11 805	-	-	-	-	-	-	-	-
MDR: RECEIPTS		-	-	-	18 105	18 105	18 105	-	-	-
MDTG: RECEIPTS		-	-	-	-	-	-	-	-	-
Total Monetary Allocations		975 752	1 063 310	1 133 444	1 212 731	1 212 731	1 212 731	1 245 298	1 290 610	1 325 707
Total Operating/National Government		975 752	1 063 310	1 133 444	1 212 731	1 212 731	1 212 731	1 245 298	1 290 610	1 325 707
Provincial Government										
Monetary Allocations										
MPU UNSPECIFIED: RECEIPTS		-	-	-	-	-	-	-	-	-
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Total Operating/Provincial Government		-	-	-	-	-	-	-	-	-
District Municipalities										
Monetary Allocations										
Other transfers/grants (insert description)										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										
Other transfers/grants (insert description)										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Operating/District Municipalities		-	-	-	-	-	-	-	-	-
Other Grant Providers										
Monetary Allocations										

Total Operating/Other Grant Providers		-	-	-	-	-	-	-	-	-
Total Operating	5	975 752	1 063 310	1 133 444	1 212 731	1 212 731	1 212 731	1 245 298 000	1 290 610 000	1 325 707 000
Capital										
National Government										
Monetary Allocations										
INEP: RECEIPTS		54 659	30 000	51 854	30 500	30 500	30 500	22 824	29 000	33 403
LGFING (CAPITAL): RECEIPTS		-	-	-	-	-	-	-	-	-
MIG: RECEIPTS		384 362	383 020	386 692	406 484	406 479	406 479	411 878	460 072	475 387
MUN DISASTER RECOV: RECEIPTS		-	20 117	12 101	-	-	-	-	-	-
NDPG: RECEIPTS		1 000	5 000	10 000	30 000	39 387	39 387	34 350	34 350	-
PTNG: RECEIPTS		148 100	-	-	-	-	-	-	-	-
RBIG: RECEIPTS		10 000	-	-	-	-	-	-	-	-
WSIG: RECEIPTS		30 000	-	-	-	-	-	-	-	-
Total Monetary Allocations		628 121	438 137	460 647	466 984	476 366	476 366	469 052 000	523 422 000	508 790 000
Total Capital/National Government		628 121	438 137	460 647	466 984	476 366	476 366	469 052 000	523 422 000	508 790 000
Provincial Government										
Monetary Allocations										
Other transfers/grants (insert description)										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										
Other transfers/grants (insert description)										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Capital/Provincial Government		-	-	-	-	-	-	-	-	-
District Municipalities										
Monetary Allocations										
Other transfers/grants (insert description)										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										
Other transfers/grants (insert description)										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Capital/District Municipalities		-	-	-	-	-	-	-	-	-
Other Grant Providers										
Monetary Allocations										
DEV CONTR: RECEIPTS		-	1 115	-	-	-	-	-	-	-
Total Monetary Allocations		-	1 115	-	-	-	-	-	-	-
Allocations In-kind										
(insert description)										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Capital/Other Grant Providers		-	1 115	-	-	-	-	-	-	-
Total Capital	5	628 121	439 252	460 647	466 984	476 366	476 366	469 052	523 422	508 790
TOTAL RECEIPTS OF TRANSFERS AND GRANTS		1 603 873	1 502 562	1 594 091	1 679 715	1 689 097	1 689 097	1 714 350	1 814 032	1 834 497

MP326 City of Mbombela - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand										
EXPENDITURE	1									
Operating										
National Government										
Monetary Allocations										
Local Government Equitable Share		855 504	785 942	318 778	1 182 249	1 358 204	1 358 204	1 109 296	1 111 061	1 110 191
Energy Efficiency and Demand Side Management Grant		3 725	4 348	4 348	4 000	4 000	4 000	4 000	-	-
Expanded Public Works Programme Integrated Grant		8 862	7 052	5 021	5 777	5 777	5 777	5 254	-	-
Local Government Financial Management Grant		2 523	2 378	899	2 600	2 600	2 600	2 600	2 700	2 800
Municipal Demarcation Transition Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant		-	2 602	2 689	18 105	18 105	18 105	-	-	-
Municipal Disaster Relief Grant		-	1 893	-	-	-	-	-	-	-
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Public Transport Network Grant		-	-	-	-	-	-	-	-	-
Total Monetary Allocations		870 614	804 215	331 735	1 212 731	1 388 686	1 388 686	1 121 150	1 113 761	1 112 991
Total National Government		870 614	804 215	331 735	1 212 731	1 388 686	1 388 686	1 121 150	1 113 761	1 112 991
Provincial Government										
Monetary Allocations										
Other transfers/grants [insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Total Provincial Government		-	-	-	-	-	-	-	-	-
District Municipalities										
Monetary Allocations										
Other transfers/grants [insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										
Other transfers/grants [insert description]										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Operating/District Municipalities		-	-	-	-	-	-	-	-	-
Other Grant Providers										
Monetary Allocations										
Municipal Demarcation Board		-	-	-	-	-	-	-	-	-
National Skills Fund		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										
Other transfers/grants [insert description]										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Operating/Other Grant Providers		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants		870 614	804 215	331 735	1 212 731	1 388 686	1 388 686	1 121 150	1 113 761	1 112 991

Capital									
National Government									
Monetary Allocations									
<i>Integrated National Electrification Programme Grant</i>	29 436	10 963	45 090	30 500	30 500	30 500	22 824	29 000	33 403
<i>Local Government Financial Management Grant</i>	-	-	1 782	-	-	-	-	-	-
<i>Municipal Disaster Recovery Grant</i>	-	(0)	21 137	-	-	-	-	-	-
<i>Municipal Disaster Relief Grant</i>	-	(0)	-	-	-	-	-	-	-
<i>Municipal Infrastructure Grant</i>	114 022	149 791	340 249	406 484	406 479	406 479	411 878	460 072	475 387
<i>Neighbourhood Development Partnership Grant</i>	-	0	533	30 000	39 387	39 387	34 350	34 350	-
<i>Public Transport Network Grant</i>	-	0	50 553	-	-	-	-	-	-
<i>Regional Bulk Infrastructure Grant</i>	-	(0)	-	-	-	-	-	-	-
<i>Water Services Infrastructure Grant</i>	10 410	-	-	-	-	-	-	-	-
Total Monetary Allocations	153 868	160 755	459 345	466 984	476 366	476 366	469 052	523 422	508 790
Total National Government	153 868	160 755	459 345	466 984	476 366	476 366	469 052	523 422	508 790
Provincial Government									
Monetary Allocations									
<i>Other transfers/grants [insert description]</i>									
Total Monetary Allocations	-	-	-	-	-	-	-	-	-
Total Provincial Government	-	-	-	-	-	-	-	-	-
District Municipalities									
Monetary Allocations									
<i>Other transfers/grants [insert description]</i>									
Total Monetary Allocations	-	-	-	-	-	-	-	-	-
Allocations In-kind									
<i>Other transfers/grants [insert description]</i>									
Total Allocations In-kind	-	-	-	-	-	-	-	-	-
Total Capital/District Municipalities	-	-	-	-	-	-	-	-	-
Other Grant Providers									
Monetary Allocations									
<i>Developers Contribution</i>	-	1 274	1 300	-	1 933	1 933	-	-	-
<i>Private Enterprises</i>	-	-	-	-	-	-	-	-	-
<i>Unspecified</i>	-	-	-	-	-	-	-	-	-
Total Monetary Allocations	-	1 274	1 300	-	1 933	1 933	-	-	-
Allocations In-kind									
Total Allocations In-kind	-	-	-	-	-	-	-	-	-
Total Capital/Other Grant Providers	-	1 274	1 300	-	1 933	1 933	-	-	-
Total capital expenditure of Transfers and Grants	153 868	160 755	459 345	466 984	476 366	476 366	469 052	523 422	508 790
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	1 024 482	964 969	791 080	1 679 715	1 865 052	1 865 052	1 590 202	1 637 183	1 621 781

MP326 City of Mbombela - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration									
R thousand	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)									
Allowances and Service Related Benefits									
Basic Salary	42 258	41 845	43 967	38 816	38 816	38 816	45 491	45 491	44 581
Cell phone Allowance	4 228	4 172	4 226	6 696	6 696	6 696	4 389	4 389	4 302
Housing Allowance									
In-kind Benefits	71	12	6	15	15	15	2	2	1
Market Related Non-pensionable Allowance									
Motor Vehicle Allowance	12 798	13 311	14 294	15 297	15 297	15 297	14 462	16 499	19 666
Office-bearer Allowance									
Out of pocket Expenses									
Travelling Allowance									
Use of Personal Facilities									
Total Allowances and Service Related Benefits	59 355	59 340	62 492	60 824	60 824	60 824	64 344	66 381	68 550
Social Contributions									
Medial Aid Benefits	378	408	374	483	483	483	369	369	362
Pension Fund Contributions	3 050	2 845	3 051	3 353	3 353	3 353	3 182	3 182	3 119
Total Social Contributions	3 427	3 253	3 425	3 836	3 836	3 836	3 551	3 551	3 480
Total Councillors	62 782	62 592	65 918	64 660	64 660	64 660	67 895	69 932	72 030
% increase		(0,3%)	5,3%	(1,9%)	-	-	5,0%	3,0%	3,0%
Senior Managers of the Municipality									
Salaries and Allowances									
Basic Salary	15 573	10 629	6 960	9 671	9 671	9 671	7 114	7 459	22 000
Bonuses									
Allowance									
Accommodation, Travel and Incidental	-	-	-	-	-	-	-	-	-
Cellular and Telephone	422	362	262	301	301	301	283	546	306
Housing Benefits									
Non-pensionable									
Travel or Motor Vehicle	2 068	1 735	1 260	1 507	1 507	1 507	1 453	1 304	1 574
Voluntary Work									
Total Allowance	2 490	2 096	1 522	1 809	1 809	1 809	1 736	1 850	1 880
Service Related Benefits									
Acting	50	43	47	15	15	15	29	30	32
Bonus									
Danger Allowance									
Entertainment									
Fire Brigade									
In-kind Benefits									
Leave Pay	1 109	273	462	510	510	510	-	-	-
Lifeguard/Duty Squads									
Long Service Award									
Overtime									
Scarcity									
Standby Allowance									
Tools Allowance									
Uniform/Special/Protective Clothing									
Leave gratuity									
Long Term Service Award									
Total Service Related Benefits	1 159	316	510	524	524	524	29	30	32
Total Salaries and Allowances	19 222	13 041	8 991	12 004	12 004	12 004	8 879	9 339	23 912
Social Contributions									
Bargaining Council	-	-	-	-	-	-	-	-	-
Group Life Insurance	-	-	-	-	-	-	-	-	-
Medical	54	69	85	84	84	84	51	53	55
Pension	467	584	630	705	705	705	488	420	528
Unemployment Insurance	18	14	9	11	11	11	10	488	11
Total Social Contributions	539	667	724	800	800	800	549	961	595
Post-retirement Benefit									
Medical									
Other Benefits									
Pension									
Total Post-retirement Benefit	-	-	-	-	-	-	-	-	-
Costs Capitalised to PPE									
Sub Total - Senior Managers of Municipality	19 761	13 709	9 716	12 804	12 804	12 804	9 428	10 300	24 506
% increase		(30,6%)	(29,1%)	31,8%	-	-	(26,4%)	9,3%	137,9%
Other Municipal Staff									
Salaries and Allowances									
Basic Salary	615 755	649 385	679 441	662 890	662 890	662 890	702 783	687 855	750 108
Bonuses	-	-	-	-	-	-	-	-	-
Allowance									
Accommodation, Travel and Incidental									
Cellular and Telephone	6 659	7 165	7 947	7 647	7 647	7 647	8 291	8 259	11 624
Housing Benefits	6 108	6 513	6 837	6 675	6 675	6 675	6 885	50 234	7 415
Non-pensionable	783	155	1 131	1 900	1 900	1 900	17 619	18 354	19 088
Travel or Motor Vehicle	66 298	68 159	73 843	71 744	71 744	71 744	74 520	88 409	80 182
Voluntary Work									
Total Allowance	79 849	81 992	89 757	87 967	87 967	87 967	107 316	165 256	118 309

Service Related Benefits									
Acting	12 554	11 194	13 761	13 351	13 351	13 351	34 856	36 861	37 456
Bonus	50 865	53 534	56 608	52 689	52 689	52 689	51 625	64 436	55 099
Danger Allowance									
Entertainment									
Fire Brigade									
In-kind Benefits									
Leave Pay	140	7 935	7 145	2 744	2 744	2 744	1 820	4 747	1 972
Lifeguard/Duty Squads									
Long Service Award									
Overtime	203 274	225 960	236 955	209 360	209 360	209 360	209 204	180 250	223 845
Scarcity									
Standby Allowance	34 681	37 326	37 721	44 889	44 889	44 889	36 911	17 323	39 987
Tools Allowance	961	1 135	1 151	1 138	1 138	1 138	1 140	30 259	1 235
Uniform/Special/Protective Clothing	-	-	-	-	-	-	-	-	-
Leave gratuity									
Long Term Service Award									
Total Service Related Benefits	302 476	337 086	353 342	324 171	324 171	324 171	335 557	333 877	359 595
Total Salaries and Allowances	998 079	1 068 463	1 122 540	1 075 027	1 075 027	1 075 027	1 145 656	1 186 987	1 228 011
Social Contributions									
Bargaining Council	239	245	250	246	246	246	259	6 692	279
Group Life Insurance	7 695	8 264	8 833	8 561	8 561	8 561	9 201	11 664	9 813
Medical	53 466	56 781	59 692	57 595	57 595	57 595	59 913	61 106	64 505
Pension	123 883	129 637	136 416	133 184	133 184	133 184	139 816	135 329	148 501
Unemployment Insurance	3 959	3 848	3 737	3 671	3 671	3 671	3 679	10 590	3 961
Total Social Contributions	189 242	198 775	208 928	203 258	203 258	203 258	212 867	225 382	227 058
Post-retirement Benefit									
Medical	49 057	47 943	51 077	-	-	-	-	-	-
Other Benefits									
Pension									
Total Post-retirement Benefit	49 057	47 943	51 077	-	-	-	-	-	-
Costs Capitalised to PPE									
Sub Total - Other Municipal Staff	1 236 378	1 315 181	1 382 545	1 278 285	1 278 285	1 278 285	1 358 523	1 412 369	1 455 070
% increase		6,4%	5,1%	(7,5%)	-	-	6,3%	4,0%	3,0%
Total Parent Municipality	1 318 921	1 391 482	1 458 179	1 355 749	1 355 749	1 355 749	1 435 847	1 492 602	1 551 606
Board Members of Entities									
Salaries and Allowances									
Basic Salary									
Bonuses									
Allowance									
Accommodation, Travel and Incidental									
Cellular and Telephone									
Housing Benefits									
Non-pensionable									
Travel or Motor Vehicle									
Voluntary Work									
Total Allowance	-	-	-	-	-	-	-	-	-
Service Related Benefits									
Acting									
Bonus									
Danger Allowance									
Entertainment									
Fire Brigade									
In-kind Benefits									
Leave Pay									
Lifeguard/Duty Squads									
Long Service Award									
Overtime									
Scarcity									
Standby Allowance									
Tools Allowance									
Uniform/Special/Protective Clothing									
Leave gratuity									
Long Term Service Award									
Total Service Related Benefits	-	-	-	-	-	-	-	-	-

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		1 262 954	68 369	48 884			1 380 207
Chief Whip			690 364	55 952	287 561			1 033 877
Executive Mayor			1 493 206	155 248	50 401			1 698 855
Deputy Executive Mayor								-
Executive Committee			6 803 647	720 861	2 899 248			10 423 756
Total for all other councillors			35 240 733	2 550 789	15 567 016			53 358 538
Total Councillors	8	-	45 490 904	3 551 219	18 853 110			67 895 233
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1 744 539	364 785	417 485			2 526 809
Chief Finance Officer			-	-	-			-
SM D01			-	-	-			-
SM D02			-	-	-			-
SM D03			-	-	-			-
SM D04			1 607 770	2 040	305 604			1 915 414
SM D05			128 377	255	39 600			168 232
SM D06			1 486 085	2 040	334 008			1 822 133
SM D07			1 027 017	90 941	334 008			1 451 966
SM D08			1 120 484	88 952	334 008			1 543 444
SM D09			-	-	-			-
SM D10			-	-	-			-
SM D11			-	-	-			-
SM D12			-	-	-			-
SM D13			-	-	-			-
SM D14			-	-	-			-
List of each official with packages >= senior manager								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total Senior Managers of the Municipality	8,10	-	7 114 272	549 013	1 764 713	-		9 427 998
A Heading for Each Entity	6,7							
List each member of board by designation								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total for municipal entities	8,10	-	-	-	-	-		-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	52 605 176	4 100 232	20 617 823	-		77 323 231

MP326 City of Mbombela - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2024/25			Current Year 2025/26			Budget Year 2026/27		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		-	-	-	89	-	89	89	-	89
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	15	-	14	15	-	14	9	-	5
Other Managers	7	188	95	-	188	96	-	119	94	-
Professionals		531	186	-	550	190	1	322	239	-
Finance		111	47	-	111	43	-	55	42	-
Spatial/town planning		45	23	-	45	24	-	10	9	-
Information Technology		15	1	-	15	1	-	4	4	-
Roads		17	2	-	29	10	-	10	7	-
Electricity		20	10	-	20	9	-	14	7	-
Water		48	13	-	48	17	-	22	15	-
Sanitation		-	-	-	-	-	-	-	-	-
Refuse		11	2	-	12	1	-	2	2	-
Other		264	88	-	270	85	1	205	153	-
Technicians		1 517	521	-	1 267	498	-	536	433	-
Finance		200	71	-	226	75	-	80	60	-
Spatial/town planning		50	17	-	50	19	-	-	-	-
Information Technology		5	1	-	5	-	-	4	2	-
Roads		32	19	-	36	18	-	26	20	-
Electricity		40	21	-	40	31	-	37	32	-
Water		62	31	-	62	36	-	44	40	-
Sanitation		-	-	-	-	-	-	-	-	-
Refuse		74	20	-	83	22	-	24	18	-
Other		1 054	341	-	765	297	-	321	261	-
Clerks (Clerical and administrative)		797	221	-	874	253	-	438	354	-
Service and sales workers		-	-	-	-	-	-	-	-	-
Skilled agricultural and fishery workers		-	-	-	-	-	-	-	-	-
Craft and related trades		-	-	-	-	-	-	-	-	-
Plant and Machine Operators		817	285	-	1 000	329	-	234	181	-
Elementary Occupations		1 625	631	-	1 622	569	-	668	489	-
TOTAL PERSONNEL NUMBERS	9	5 490	1 939	14	5 605	1 935	104	2 415	1 790	94
% increase					2,1%	(0,2%)	642,9%	(56,9%)	(7,5%)	(9,6%)
Total municipal employees headcount	6, 10	6 108	2 185	15	6 140	2 150	104	2 770	2 057	94
Finance personnel headcount	8, 10	440	172	-	363	143	-	215	162	-
Human Resources personnel headcount	8, 10	178	74	1	172	72	-	140	105	-

MP326 City of Mbombela - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand																
Revenue																
Exchange Revenue																
Service charges - Electricity		174 419	174 419	174 419	174 419	174 419	174 419	174 419	174 419	174 419	174 419	174 419	174 420	2 093 033	2 260 475	2 441 314
Service charges - Water		11 085	11 085	11 085	11 085	11 085	11 085	11 085	11 085	11 085	11 085	11 085	11 085	133 025	141 006	149 467
Service charges - Waste Water Management		2 795	2 795	2 795	2 795	2 795	2 795	2 795	2 795	2 795	2 795	2 795	2 795	33 537	35 549	37 682
Service charges - Waste Management		16 093	16 093	16 093	16 093	16 093	16 093	16 093	16 093	16 093	16 093	16 093	16 093	193 116	204 705	216 987
Sale of Goods and Rendering of Services		2 938	2 938	2 938	2 938	2 938	2 938	2 938	2 938	2 938	2 938	2 938	2 938	35 261	38 787	42 666
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		3 685	3 685	3 685	3 685	3 685	3 685	3 685	3 685	3 685	3 685	3 685	3 685	44 217	48 070	52 835
Interest earned from Current and Non Current Assets		1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	15 488	17 537	19 791
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		2 794	2 794	2 794	2 794	2 794	2 794	2 794	2 794	2 794	2 794	2 794	2 795	33 533	34 886	36 375
Licence and permits		27	27	27	27	27	27	27	27	27	27	27	27	322	355	390
Special rating levies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Development Charges		515	515	515	515	515	515	515	515	515	515	515	515	6 179	6 364	6 555
Operational Revenue		4 878	4 878	4 878	4 878	4 878	4 878	4 878	4 878	4 878	4 878	4 878	4 878	58 539	60 826	63 354
Non-Exchange Revenue																
Property rates		96 992	96 992	96 992	96 992	96 992	96 992	96 992	96 992	96 992	96 992	96 992	96 992	1 163 907	1 230 741	1 313 393
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 416	1 416	1 416	1 416	1 416	1 416	1 416	1 416	1 416	1 416	1 416	1 416	16 987	18 685	20 554
Licences or permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		103 775	103 775	103 775	103 775	103 775	103 775	103 775	103 775	103 775	103 775	103 775	103 775	1 245 298	1 290 610	1 325 707
Interest		3 311	3 311	3 311	3 311	3 311	3 311	3 311	3 311	3 311	3 311	3 311	3 311	39 736	42 721	46 411
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		426 015	426 015	426 015	426 015	426 015	426 015	426 015	426 015	426 015	426 015	426 015	426 016	5 112 180	5 431 318	5 773 480
Expenditure																
Employee related costs		113 996	113 996	113 996	113 996	113 996	113 996	113 996	113 996	113 996	113 996	113 996	113 992	1 367 951	1 422 669	1 479 576
Remuneration of councillors		5 658	5 658	5 658	5 658	5 658	5 658	5 658	5 658	5 658	5 658	5 658	5 658	67 895	69 932	72 030
Bulk purchases - electricity		127 200	127 200	127 200	127 200	127 200	127 200	127 200	127 200	127 200	127 200	127 200	127 200	1 526 395	1 679 034	1 846 938
Inventory consumed		9 683	9 683	9 683	9 683	9 683	9 683	9 683	9 683	9 683	9 683	9 683	9 682	116 193	112 294	101 065
Debt impairment		24 852	24 852	24 852	24 852	24 852	24 852	24 852	24 852	24 852	24 852	24 852	24 851	298 218	239 468	214 290
Depreciation, amortisation and impairment		58 322	58 322	58 322	58 322	58 322	58 322	58 322	58 322	58 322	58 322	58 322	58 322	699 869	815 468	816 059
Interest, Dividends and Rent on Land		3 102	3 102	3 102	3 102	3 102	3 102	3 102	3 102	3 102	3 102	3 102	3 102	37 230	38 719	40 268
Contracted services		31 963	31 963	31 963	31 963	31 963	31 963	31 963	31 963	31 963	31 963	31 963	31 962	383 558	345 202	310 682
Transfers and subsidies		3 859	3 859	3 859	3 859	3 859	3 859	3 859	3 859	3 859	3 859	3 859	3 859	46 314	23 155	21 997
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational costs		7 669	7 669	7 669	7 669	7 669	7 669	7 669	7 669	7 669	7 669	7 669	7 667	92 026	92 026	87 425
Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		386 305	386 305	386 305	386 305	386 305	386 305	386 305	386 305	386 305	386 305	386 305	386 297	4 635 649	4 837 968	4 990 330
Surplus/(Deficit)		39 710	39 710	39 710	39 710	39 710	39 710	39 710	39 710	39 710	39 710	39 710	39 719	476 530	593 350	783 149
Transfers and subsidies - capital (monetary allocations)		39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	469 052	523 422	508 790
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 807	945 582	1 116 772	1 291 939
Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 807	945 582	1 116 772	1 291 939
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 807	945 582	1 116 772	1 291 939
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 807	945 582	1 116 772	1 291 939

MP326 City of Mbombela - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand																
Revenue by Vote																
Vote 01 - Council		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Vote 02 - Office Of Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - City Planning And Development Department		4 488	4 488	4 488	4 488	4 488	4 488	4 488	4 488	4 488	4 488	4 488	4 488	53 855	66 154	71 767
Vote 05 - Corporate Services Department		1 023	1 023	1 023	1 023	1 023	1 023	1 023	1 023	1 023	1 023	1 023	1 023	12 275	12 787	13 322
Vote 06 - Strategic Management Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Financial Management		122 145	122 145	122 145	122 145	122 145	122 145	122 145	122 145	122 145	122 145	122 145	122 145	1 465 740	1 405 713	1 483 555
Vote 08 - Technical Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 - Social Services		1 524	1 524	1 524	1 524	1 524	1 524	1 524	1 524	1 524	1 524	1 524	1 524	18 290	11 203	11 323
Vote 10 - Community Services		32 196	32 196	32 196	32 196	32 196	32 196	32 196	32 196	32 196	32 196	32 196	32 196	386 355	236 750	224 275
Vote 11 - Public Works, Roads And Transport		37 835	37 835	37 835	37 835	37 835	37 835	37 835	37 835	37 835	37 835	37 835	37 835	454 019	497 035	478 078
Vote 12 - Local Economic Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Water And Sanitation		68 016	68 016	68 016	68 016	68 016	68 016	68 016	68 016	68 016	68 016	68 016	68 016	816 187	1 374 961	1 501 774
Vote 14 - Energy		197 450	197 450	197 450	197 450	197 450	197 450	197 450	197 450	197 450	197 450	197 450	197 450	2 369 395	2 344 517	2 492 001
Vote 15 - Other		426	426	426	426	426	426	426	426	426	426	426	426	5 117	5 621	6 175
Total Revenue by Vote		465 103	465 103	465 103	465 103	465 103	465 103	465 103	465 103	465 103	465 103	465 103	465 103	5 581 232	5 954 740	6 282 270
Expenditure by Vote to be appropriated																
Vote 01 - Council		6 447	6 447	6 447	6 447	6 447	6 447	6 447	6 447	6 447	6 447	6 447	6 447	77 369	78 412	80 436
Vote 02 - Office Of Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Municipal Manager		2 912	2 912	2 912	2 912	2 912	2 912	2 912	2 912	2 912	2 912	2 912	2 912	34 945	36 239	35 833
Vote 04 - City Planning And Development Department		10 402	10 402	10 402	10 402	10 402	10 402	10 402	10 402	10 402	10 402	10 402	10 401	124 822	104 553	105 726
Vote 05 - Corporate Services Department		14 500	14 500	14 500	14 500	14 500	14 500	14 500	14 500	14 500	14 500	14 500	14 499	173 999	177 659	202 399
Vote 06 - Strategic Management Services		4 352	4 352	4 352	4 352	4 352	4 352	4 352	4 352	4 352	4 352	4 352	4 351	52 224	50 702	51 905
Vote 07 - Financial Management		48 549	48 549	48 549	48 549	48 549	48 549	48 549	48 549	48 549	48 549	48 549	48 547	582 583	568 848	511 819
Vote 08 - Technical Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 - Social Services		11 381	11 381	11 381	11 381	11 381	11 381	11 381	11 381	11 381	11 381	11 381	11 380	136 570	140 573	128 585
Vote 10 - Community Services		32 716	32 716	32 716	32 716	32 716	32 716	32 716	32 716	32 716	32 716	32 716	32 715	392 589	413 096	409 699
Vote 11 - Public Works, Roads And Transport		29 931	29 931	29 931	29 931	29 931	29 931	29 931	29 931	29 931	29 931	29 931	29 930	359 170	307 804	359 041
Vote 12 - Local Economic Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Water And Sanitation		51 206	51 206	51 206	51 206	51 206	51 206	51 206	51 206	51 206	51 206	51 206	51 205	614 466	700 258	704 134
Vote 14 - Energy		150 121	150 121	150 121	150 121	150 121	150 121	150 121	150 121	150 121	150 121	150 121	150 121	1 801 454	1 967 975	2 105 750
Vote 15 - Other		23 788	23 788	23 788	23 788	23 788	23 788	23 788	23 788	23 788	23 788	23 788	23 788	285 459	291 848	295 003
Total Expenditure by Vote		386 305	386 305	386 305	386 305	386 305	386 305	386 305	386 305	386 305	386 305	386 305	386 297	4 635 649	4 837 968	4 990 330
Surplus/(Deficit) before assoc.		78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 807	945 582	1 116 772	1 291 939
Income Tax																
Share of Surplus/Deficit attributable to Minorities																
Intercompany/Parent subsidiary transactions																
Surplus/(Deficit)	1	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 807	945 582	1 116 772	1 291 939

MP326 City of Mbombela - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

City of Montreal - Supporting Table 02: Budgeted monthly revenue and expenditure (functional classification)																	
Description		Ref	Budget Year 2026/27											Medium Term Revenue and Expenditure Framework			
R thousand			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue - Functional																	
Governance and administration			124 439	124 439	124 439	124 439	124 439	124 439	124 439	124 439	124 439	124 439	124 439	124 440	1 493 272	1 442 198	1 521 944
Executive and council			505	505	505	505	505	505	505	505	505	505	505	505	6 058	6 300	6 552
Finance and administration			123 934	123 934	123 934	123 934	123 934	123 934	123 934	123 934	123 934	123 934	123 934	123 935	1 487 214	1 435 898	1 515 392
Internal audit			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety			2 136	2 136	2 136	2 136	2 136	2 136	2 136	2 136	2 136	2 136	2 136	2 137	25 637	19 278	20 197
Community and social services			1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691	20 289	13 402	13 742
Sport and recreation			20	20	20	20	20	20	20	20	20	20	20	20	236	260	286
Public safety			426	426	426	426	426	426	426	426	426	426	426	426	5 112	5 616	6 169
Housing			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services			41 051	41 051	41 051	41 051	41 051	41 051	41 051	41 051	41 051	41 051	41 051	41 051	492 617	539 490	524 777
Planning and development			35 692	35 692	35 692	35 692	35 692	35 692	35 692	35 692	35 692	35 692	35 692	35 692	428 298	467 867	450 778
Road transport			5 360	5 360	5 360	5 360	5 360	5 360	5 360	5 360	5 360	5 360	5 360	5 360	64 318	71 624	73 999
Environmental protection			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services			297 475	297 475	297 475	297 475	297 475	297 475	297 475	297 475	297 475	297 475	297 475	297 476	3 569 702	3 953 768	4 215 345
Energy sources			197 450	197 450	197 450	197 450	197 450	197 450	197 450	197 450	197 450	197 450	197 450	197 450	2 369 395	2 344 517	2 492 001
Water management			46 233	46 233	46 233	46 233	46 233	46 233	46 233	46 233	46 233	46 233	46 233	46 234	554 802	285 608	203 625
Waste water management			21 782	21 782	21 782	21 782	21 782	21 782	21 782	21 782	21 782	21 782	21 782	21 782	261 386	1 089 352	1 298 149
Waste management			32 010	32 010	32 010	32 010	32 010	32 010	32 010	32 010	32 010	32 010	32 010	32 010	384 119	234 291	221 570
Other			0	0	0	0	0	0	0	0	0	0	0	0	5	5	6
Total Revenue - Functional			465 103	465 103	465 103	465 103	465 103	465 103	465 103	465 103	465 103	465 103	465 103	465 103	5 581 232	5 954 740	6 282 270
Expenditure - Functional																	
Governance and administration			79 492	79 492	79 492	79 492	79 492	79 492	79 492	79 492	79 492	79 492	79 492	79 488	953 901	954 512	918 275
Executive and council			11 183	11 183	11 183	11 183	11 183	11 183	11 183	11 183	11 183	11 183	11 183	11 181	134 190	136 818	168 105
Finance and administration			67 206	67 206	67 206	67 206	67 206	67 206	67 206	67 206	67 206	67 206	67 206	67 204	806 469	803 772	736 963
Internal audit			1 103	1 103	1 103	1 103	1 103	1 103	1 103	1 103	1 103	1 103	1 103	1 103	13 242	13 922	13 207
Community and public safety			36 336	36 336	36 336	36 336	36 336	36 336	36 336	36 336	36 336	36 336	36 336	36 334	436 027	455 670	451 386
Community and social services			8 406	8 406	8 406	8 406	8 406	8 406	8 406	8 406	8 406	8 406	8 406	8 405	100 869	117 533	106 038
Sport and recreation			8 830	8 830	8 830	8 830	8 830	8 830	8 830	8 830	8 830	8 830	8 830	8 830	105 961	107 349	110 153
Public safety			17 591	17 591	17 591	17 591	17 591	17 591	17 591	17 591	17 591	17 591	17 591	17 591	211 097	214 155	222 069
Housing			866	866	866	866	866	866	866	866	866	866	866	866	10 396	12 623	13 126
Health			642	642	642	642	642	642	642	642	642	642	642	642	7 704	4 010	-
Economic and environmental services			39 253	39 253	39 253	39 253	39 253	39 253	39 253	39 253	39 253	39 253	39 253	39 251	471 030	386 833	439 955
Planning and development			11 827	11 827	11 827	11 827	11 827	11 827	11 827	11 827	11 827	11 827	11 827	11 826	141 925	106 910	110 057
Road transport			26 730	26 730	26 730	26 730	26 730	26 730	26 730	26 730	26 730	26 730	26 730	26 730	320 762	270 684	321 417
Environmental protection			695	695	695	695	695	695	695	695	695	695	695	695	8 343	9 238	8 482
Trading services			228 008	228 008	228 008	228 008	228 008	228 008	228 008	228 008	228 008	228 008	228 008	228 007	2 736 097	3 001 336	3 139 640
Energy sources			150 121	150 121	150 121	150 121	150 121	150 121	150 121	150 121	150 121	150 121	150 121	150 121	1 801 454	1 967 975	2 105 750
Water management			34 463	34 463	34 463	34 463	34 463	34 463	34 463	34 463	34 463	34 463	34 463	34 463	413 560	459 574	463 717
Waste water management			17 205	17 205	17 205	17 205	17 205	17 205	17 205	17 205	17 205	17 205	17 205	17 205	206 459	249 010	248 080
Waste management			26 219	26 219	26 219	26 219	26 219	26 219	26 219	26 219	26 219	26 219	26 219	26 218	314 625	324 777	322 093
Other			3 216	3 216	3 216	3 216	3 216	3 216	3 216	3 216	3 216	3 216	3 216	3 216	38 594	39 617	41 073
Total Expenditure - Functional			386 305	386 305	386 305	386 305	386 305	386 305	386 305	386 305	386 305	386 305	386 305	386 297	4 635 649	4 837 968	4 990 330
Surplus/(Deficit) before assoc.			78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 807	945 582	1 116 772	1 291 939
Intercompany/Parent subsidiary transactions																	
Surplus/(Deficit)			1	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 798	78 807	945 582	1 116 772	1 291 939

MP326 City of Mbombela - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Multi-year expenditure to be appropriated	1															
Vote 01 - Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - City Planning And Development Department		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Corporate Services Department		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 06 - Strategic Management Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Financial Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Technical Services		333	333	333	333	333	333	333	333	333	333	333	333	4 000	-	-
Vote 09 - Social Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Public Works, Roads And Transport		36 482	36 482	36 482	36 482	36 482	36 482	36 482	36 482	36 482	36 482	36 482	36 481	437 779	472 422	338 161
Vote 12 - Local Economic Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Water And Sanitation		5 208	5 208	5 208	5 208	5 208	5 208	5 208	5 208	5 208	5 208	5 208	5 208	62 500	135 000	199 926
Vote 14 - Energy		4 543	4 543	4 543	4 543	4 543	4 543	4 543	4 543	4 543	4 543	4 543	4 543	54 515	33 815	50 000
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	46 566	46 566	46 566	46 566	46 566	46 566	46 566	46 566	46 566	46 566	46 566	46 566	558 794	641 237	588 087
Single-year expenditure to be appropriated																
Vote 01 - Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Office Of Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - City Planning And Development Department		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Corporate Services Department		833	833	833	833	833	833	833	833	833	833	833	833	10 000	-	-
Vote 06 - Strategic Management Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Financial Management		5 250	5 250	5 250	5 250	5 250	5 250	5 250	5 250	5 250	5 250	5 250	5 250	63 000	-	55 000
Vote 08 - Technical Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 - Social Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Public Works, Roads And Transport		6 387	6 387	6 387	6 387	6 387	6 387	6 387	6 387	6 387	6 387	6 387	6 387	76 649	41 500	10 000
Vote 12 - Local Economic Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Water And Sanitation		83	83	83	83	83	83	83	83	83	83	83	83	1 000	1 000	-
Vote 14 - Energy		1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	1 009	12 109	9 000	3 403
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	13 563	13 563	13 563	13 563	13 563	13 563	13 563	13 563	13 563	13 563	13 563	13 563	162 758	51 500	68 403
Total Capital Expenditure	2	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	721 552	692 737	656 490

MP326 City of Mbombela - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital Expenditure - Functional	1															
Governance and administration		6 083	6 083	6 083	6 083	6 083	6 083	6 083	6 083	6 083	6 083	6 083	6 083	73 000	-	55 000
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		6 083	6 083	6 083	6 083	6 083	6 083	6 083	6 083	6 083	6 083	6 083	6 083	73 000	-	55 000
Internal audit																
Community and public safety		5 042	5 042	5 042	5 042	5 042	5 042	5 042	5 042	5 042	5 042	5 042	5 042	60 500	73 000	20 000
Community and social services		2 125	2 125	2 125	2 125	2 125	2 125	2 125	2 125	2 125	2 125	2 125	2 125	25 500	25 000	20 000
Sport and recreation		2 917	2 917	2 917	2 917	2 917	2 917	2 917	2 917	2 917	2 917	2 917	2 917	35 000	48 000	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing																
Health																
Economic and environmental services		29 375	29 375	29 375	29 375	29 375	29 375	29 375	29 375	29 375	29 375	29 375	29 375	352 499	289 422	100 000
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		29 375	29 375	29 375	29 375	29 375	29 375	29 375	29 375	29 375	29 375	29 375	29 375	352 499	289 422	100 000
Environmental protection																
Trading services		19 629	19 629	19 629	19 629	19 629	19 629	19 629	19 629	19 629	19 629	19 629	19 629	235 553	330 315	481 490
Energy sources		6 235	6 235	6 235	6 235	6 235	6 235	6 235	6 235	6 235	6 235	6 235	6 235	74 824	44 315	53 403
Water management		10 750	10 750	10 750	10 750	10 750	10 750	10 750	10 750	10 750	10 750	10 750	10 750	129 000	250 000	357 087
Waste water management		1 208	1 208	1 208	1 208	1 208	1 208	1 208	1 208	1 208	1 208	1 208	1 208	14 500	36 000	71 000
Waste management		1 436	1 436	1 436	1 436	1 436	1 436	1 436	1 436	1 436	1 436	1 436	1 436	17 229	-	-
Other																
Total Capital Expenditure - Functional	2	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	721 552	692 737	656 490
Funded by:																
National Government		39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	469 052	523 422	508 790
Provincial Government																
District Municipality																
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	469 052	523 422	508 790
Borrowing																
Internally generated funds		21 042	21 042	21 042	21 042	21 042	21 042	21 042	21 042	21 042	21 042	21 042	21 042	252 500	169 315	147 700
Total Capital Funding		60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	721 552	692 737	656 490

MP326 City of Mbombela - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand															
Cash Receipts By Source													1		
Property rates	92 143	92 143	92 143	92 143	92 143	92 143	92 143	92 143	92 143	92 143	92 143	92 143	1 105 711	1 169 204	1 247 723
Service charges - electricity revenue	165 698	165 698	165 698	165 698	165 698	165 698	165 698	165 698	165 698	165 698	165 698	165 698	1 988 381	2 147 452	2 319 248
Service charges - water revenue	10 531	10 531	10 531	10 531	10 531	10 531	10 531	10 531	10 531	10 531	10 531	10 531	126 374	133 956	141 993
Service charges - sanitation revenue	2 655	2 655	2 655	2 655	2 655	2 655	2 655	2 655	2 655	2 655	2 655	2 655	31 860	33 771	35 798
Service charges - refuse revenue	15 288	15 288	15 288	15 288	15 288	15 288	15 288	15 288	15 288	15 288	15 288	15 289	183 462	194 469	206 138
Rental of facilities and equipment	2 794	2 794	2 794	2 794	2 794	2 794	2 794	2 794	2 794	2 794	2 794	2 794	33 533	34 886	36 375
Interest earned - external investments	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	1 291	15 488	17 537	19 791
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1 345	1 345	1 345	1 345	1 345	1 345	1 345	1 345	1 345	1 345	1 345	1 345	16 137	17 751	19 526
Licences and permits	27	27	27	27	27	27	27	27	27	27	27	27	322	355	390
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	103 775	103 775	103 775	103 775	103 775	103 775	103 775	103 775	103 775	103 775	103 775	103 775	1 245 298	1 290 610	1 325 707
Other revenue	2 379	2 379	2 379	2 379	2 379	2 379	2 379	2 379	2 379	2 379	2 379	2 379	28 548	30 261	32 031
Cash Receipts by Source	397 926	397 926	397 926	397 926	397 926	397 926	397 926	397 926	397 926	397 926	397 926	397 927	4 775 115	5 070 253	5 384 720
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	39 088	469 052	523 422	508 790
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vat Control (receipts)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Refund - Capital	960	960	960	960	960	960	960	960	960	960	960	960	11 524	11 930	12 502
Interest on Short Term Investment (Greater than 90 days) and Long Term Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	437 974	437 974	437 974	437 974	437 974	437 974	437 974	437 974	437 974	437 974	437 974	437 975	5 255 692	5 605 605	5 906 012
Cash Payments by Type															
Employee related costs	113 996	113 996	113 996	113 996	113 996	113 996	113 996	113 996	113 996	113 996	113 996	113 992	1 367 951	1 422 669	1 479 576
Remuneration of councillors	5 658	5 658	5 658	5 658	5 658	5 658	5 658	5 658	5 658	5 658	5 658	5 658	67 895	69 932	72 030
Finance charges	3 102	3 102	3 102	3 102	3 102	3 102	3 102	3 102	3 102	3 102	3 102	3 102	37 230	38 719	40 268
Bulk purchases - Electricity	127 200	127 200	127 200	127 200	127 200	127 200	127 200	127 200	127 200	127 200	127 200	127 200	1 526 395	1 679 034	1 846 938
Acquisition inventory - water and other inventory	9 683	9 683	9 683	9 683	9 683	9 683	9 683	9 683	9 683	9 683	9 683	9 682	116 193	112 294	101 065
Contracted services	31 963	31 963	31 963	31 963	31 963	31 963	31 963	31 963	31 963	31 963	31 963	31 962	383 558	345 202	310 682
Transfers and subsidies - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other	3 859	3 859	3 859	3 859	3 859	3 859	3 859	3 859	3 859	3 859	3 859	3 859	46 314	23 155	21 997
Other expenditure	77 421	77 421	77 421	77 421	77 421	77 421	77 421	77 421	77 421	77 421	77 421	77 420	929 052	1 193 633	1 338 097
Cash Payments by Type	372 883	372 883	372 883	372 883	372 883	372 883	372 883	372 883	372 883	372 883	372 883	372 875	4 474 588	4 884 639	5 210 653
Other Cash Flows/Payments by Type															
Capital assets	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	60 129	721 552	692 737	656 490
Retention (Capital)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowing	1 755	1 755	1 755	1 755	1 755	1 755	1 755	1 755	1 755	1 755	1 755	1 755	21 057	23 491	26 398
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	434 767	434 767	434 767	434 767	434 767	434 767	434 767	434 767	434 767	434 767	434 767	434 759	5 217 197	5 600 868	5 893 541
NET INCREASE/(DECREASE) IN CASH HELD	3 207	3 207	3 207	3 207	3 207	3 207	3 207	3 207	3 207	3 207	3 207	3 215	38 495	4 737	12 471
Cash/cash equivalents at the month/year begin:	142 749	145 956	149 163	152 371	155 578	158 785	161 992	165 199	168 407	171 614	174 821	178 028	142 749	181 244	185 981
Cash/cash equivalents at the month/year end:	145 956	149 163	152 371	155 578	158 785	161 992	165 199	168 407	171 614	174 821	178 028	181 244	181 244	185 981	198 452

MP326 City of Mbombela - Supporting Table SA34a Capital expenditure on new assets by asset class

Description		Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure on new assets by Asset Class/Sub-class											
Infrastructure			68 748	90 465	153 574	235 100	161 014	161 014	168 024	226 815	303 764
Roads Infrastructure			–	2 730	54 381	21 600	23 096	23 096	33 700	25 000	20 000
Roads			–	(0)	49 520	10 000	1 401	1 401	7 500	10 000	20 000
Road Structures			–	2 730	4 861	11 000	20 294	20 294	25 000	15 000	–
Road Furniture			–	–	–	–	800	800	1 200	–	–
Capital Spares			–	–	–	600	600	600	–	–	–
Storm water Infrastructure			–	(0)	22 813	–	–	–	–	–	–
Drainage Collection			–	(0)	2 170	–	–	–	–	–	–
Storm water Conveyance			–	(0)	20 644	–	–	–	–	–	–
Attenuation											
Electrical Infrastructure			68 748	87 735	53 834	45 000	36 719	36 719	39 824	42 815	53 403
Power Plants											
HV Substations			3 314	(0)	–	–	–	–	–	–	–
HV Switching Station			–	–	–	–	–	–	–	–	–
HV Transmission Conductors			–	0	26 759	10 000	15 500	15 500	14 000	20 000	30 000
MV Substations			–	–	361	–	–	–	–	–	–
MV Switching Stations			–	–	–	–	–	–	–	–	–
MV Networks			35 000	76 772	9 904	15 000	6 219	6 219	10 000	13 815	20 000
LV Networks			30 435	10 963	16 810	20 000	15 000	15 000	15 824	9 000	3 403
Capital Spares			–	–	–	–	–	–	–	–	–
Water Supply Infrastructure			–	0	6 793	147 500	74 914	74 914	89 000	158 500	229 861
Dams and Weirs			–	0	–	–	–	–	–	–	–
Boreholes			–	–	–	5 000	2 000	2 000	3 500	1 000	1 200
Reservoirs			–	–	5 508	–	2 686	2 686	5 000	7 000	–
Pump Stations			–	–	–	–	–	–	–	–	–
Water Treatment Works			–	0	–	–	–	–	80 000	150 000	228 161
Bulk Mains			–	–	1 285	140 000	68 478	68 478	–	–	–
Distribution			–	–	–	–	–	–	–	–	–
Distribution Points			–	–	–	–	–	–	–	–	–
PRV Stations											
Capital Spares			–	–	–	2 500	1 750	1 750	500	500	500
Sanitation Infrastructure			–	(0)	15 752	21 000	26 285	26 285	5 500	500	500
Pump Station			–	–	247	–	–	–	–	–	–
Reticulation			–	(0)	15 505	19 500	26 285	26 285	5 000	–	–
Waste Water Treatment Works			–	–	–	–	–	–	–	–	–
Outfall Sewers			–	–	–	–	–	–	–	–	–
Toilet Facilities			–	–	–	1 000	–	–	–	–	–
Capital Spares			–	–	–	500	–	–	500	500	500
Solid Waste Infrastructure			–	–	–	–	–	–	–	–	–
Landfill Sites			–	–	–	–	–	–	–	–	–
Waste Transfer Stations			–	–	–	–	–	–	–	–	–
Waste Processing Facilities											
Waste Drop-off Points											
Waste Separation Facilities											
Electricity Generation Facilities											
Capital Spares											
Rail Infrastructure			–	–	–	–	–	–	–	–	–
Rail Lines											
Rail Structures											
Rail Furniture											
Drainage Collection											
Storm water Conveyance											
Attenuation											
MV Substations											
LV Networks											
Capital Spares											
Coastal Infrastructure			–	–	–	–	–	–	–	–	–
Sand Pumps											
Piers											
Revetments											
Promenades											
Capital Spares											
Information and Communication Infrastructure			–	–	–	–	–	–	–	–	–

Community Assets	795	6 936	2 477	11 800	8 096	8 096	10 000	15 000	-
Community Facilities	795	6 936	2 477	9 000	7 000	7 000	10 000	15 000	-
Halls	795	6 936	2 147	-	-	-	10 000	15 000	-
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	-	-	329	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	2 000	2 000	2 000	-	-	-
Police	-	-	-	7 000	5 000	5 000	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	2 800	1 096	1 096	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	2 800	1 096	1 096	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Other assets	0	0	-	-	-	-	1 000	1 000	-

Operational Buildings	0	0	–	–	–	–	1 000	1 000	–	
Municipal Offices	0	0	–	–	–	–	1 000	1 000	–	
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores	–	–	–	–	–	–	–	–	–	
Laboratories	–	–	–	–	–	–	–	–	–	
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares	–	–	–	–	–	–	–	–	–	
Housing	–	–	–	–	–	–	–	–	–	
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–	
Biological or Cultivated Assets										
Intangible Assets	9 462	2 937	1 827	8 500	12 417	12 417	–	–	–	
Servitudes										
Licences and Rights	9 462	2 937	1 827	8 500	12 417	12 417	–	–	–	
Water Rights										
Effluent Licenses										
Solid Waste Licenses	–	–	(0)	3 500	3 500	3 500	–	–	–	
Computer Software and Applications	9 462	2 937	1 827	5 000	8 917	8 917	–	–	–	
Load Settlement Software Applications										
Unspecified	–	–	–	–	–	–	–	–	–	
Computer Equipment	1 703	2 498	1 205	–	–	–	–	–	–	
Computer Equipment	1 703	2 498	1 205	–	–	–	–	–	–	
Furniture and Office Equipment	3 144	6 270	1 052	800	800	800	–	–	–	
Furniture and Office Equipment	3 144	6 270	1 052	800	800	800	–	–	–	
Machinery and Equipment	3 165	3 172	235	3 900	3 500	3 500	–	–	–	
Machinery and Equipment	3 165	3 172	235	3 900	3 500	3 500	–	–	–	
Transport Assets	4 829	19 460	35 813	–	–	–	63 000	–	55 000	
Transport Assets	4 829	19 460	35 813	–	–	–	63 000	–	55 000	
Land	–	–	–	10 950	24 300	24 300	–	–	–	
Land	–	–	–	10 950	24 300	24 300	–	–	–	
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–	
Zoo's, Marine and Non-biological Animals										
Living resources	-	-	-	-	-	-	-	-	-	
Mature	-	-	-	-	-	-	-	-	-	
Policing and Protection										
Zoological plants and animals										
Immature	-	-	-	-	-	-	-	-	-	
Policing and Protection										
Zoological plants and animals										
Total Capital Expenditure on new assets	1	91 846	131 739	196 183	271 050	210 127	210 127	242 024	242 815	358 764

MP326 City of Mbombela - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		62 133	14 592	348 010	211 000	281 528	281 528	151 850	153 850	110 500
Roads Infrastructure		7 697	7 161	256 819	164 000	198 799	198 799	124 850	102 350	35 000
Roads		7 697	7 161	256 819	164 000	181 799	181 799	109 850	102 350	35 000
Road Structures		-	-	-	-	17 000	17 000	15 000	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	0	-	-	-	-	-	-	-
Drainage Collection		-	0	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		12 252	6 504	2 795	-	-	-	10 000	-	-
Power Plants		-	(0)	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		9 640	-	-	-	-	-	-	-	-
MV Substations		193	-	-	-	-	-	10 000	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		1 444	6 504	599	-	-	-	-	-	-
LV Networks		975	-	2 195	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		297	926	78 028	25 000	43 660	43 660	12 000	18 500	5 000
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		0	0	20 011	3 000	5 259	5 259	3 000	3 500	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		297	926	58 017	22 000	38 401	38 401	9 000	15 000	5 000
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		41 887	(0)	10 368	22 000	39 069	39 069	5 000	33 000	70 500
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		41 887	(0)	10 368	19 000	27 319	27 319	-	30 000	70 000
Waste Water Treatment Works		-	-	-	-	-	-	2 000	1 000	500
Outfall Sewers		-	-	-	3 000	5 750	5 750	3 000	2 000	-
Toilet Facilities		-	-	-	-	6 000	6 000	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-

Community Assets	247	80	-	6 000	13 650	13 650	8 000	-	-
Community Facilities	14	-	-	1 500	9 150	9 150	8 000	-	-
Halls	-	-	-	500	5 482	5 482	8 000	-	-
Centres									
Crèches									
Clinics/Care Centres									
Fire/Ambulance Stations	14	-	-	-	-	-	-	-	-
Testing Stations									
Museums									
Galleries									
Theatres									
Libraries	-	-	-	1 000	3 668	3 668	-	-	-
Cemeteries/Crematoria									
Police									
Parks									
Public Open Space									
Nature Reserves									
Public Ablution Facilities									
Markets									
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares									
Sport and Recreation Facilities	233	80	-	4 500	4 500	4 500	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	233	80	-	4 500	4 500	4 500	-	-	-
Capital Spares									
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property									
Unimproved Property									
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property									
Unimproved Property									
Other assets	-	-	7 910	-	-	-	-	-	-
Operational Buildings	-	-	7 910	-	-	-	-	-	-
Municipal Offices	-	-	4 233	-	-	-	-	-	-
Pay/Enquiry Points									
Building Plan Offices									
Workshops									
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	3 677	-	-	-	-	-	-
Laboratories									
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant									
Depots	-	-	-	-	-	-	-	-	-
Capital Spares									

MP326 City of Mbombela - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Municipality of Mombasa - Supporting Table 3.4.4 Repairs and maintenance expenditure by asset class										
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		334 679	396 532	246 841	159 706	318 990	318 990	122 795	160 665	130 867
Roads Infrastructure		88 247	61 726	14 346	34 914	74 914	74 914	10 934	9 840	7 971
Roads		87 751	61 688	13 896	29 914	64 914	64 914	10 126	9 113	7 382
Road Structures										
Road Furniture		496	38	450	5 000	10 000	10 000	808	727	589
Capital Spares										
Storm water Infrastructure		4 794	5 109	4 809	18 453	67 219	67 219	4 590	4 131	3 346
Drainage Collection		—	—	3 718	—	—	—	—	—	—
Storm water Conveyance		4 794	5 109	1 091	18 453	67 219	67 219	4 590	4 131	3 346
Attenuation										
Electrical Infrastructure		93 136	111 930	67 971	48 408	58 008	58 008	36 687	80 479	27 316
Power Plants		1 319	36 430	40 594	11 989	11 989	11 989	10 725	93	8 885
HV Substations		—	—	—	—	—	—	—	—	—
HV Switching Station		—	—	—	—	—	—	—	—	—
HV Transmission Conductors		3 585	4 240	7 606	7 950	6 950	6 950	10 040	5 505	8 765
MV Substations		74 013	45 839	4 558	1 791	2 791	2 791	1 501	73 627	1 094
MV Switching Stations		—	—	—	—	—	—	—	—	—
MV Networks		—	—	—	—	—	—	—	—	—
LV Networks		14 220	25 421	15 212	26 679	36 279	36 279	14 421	1 254	8 571
Capital Spares										
Water Supply Infrastructure		79 598	159 783	116 376	40 409	84 409	84 409	53 322	45 935	79 650
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations		—	—	—	—	—	—	—	—	—
Water Treatment Works		23 799	62 597	72 797	30 741	73 741	73 741	43 981	37 527	72 840
Bulk Mains		12 982	70 529	43 579	9 668	10 668	10 668	9 341	8 407	6 810
Distribution		42 816	26 657	—	—	—	—	—	—	—
Distribution Points		—	—	—	—	—	—	—	—	—
PRV Stations										
Capital Spares										
Sanitation Infrastructure		38 647	23 384	—	—	—	—	—	—	—
Pump Station										
Reticulation		—	—	—	—	—	—	—	—	—
Waste Water Treatment Works		38 647	23 384	—	—	—	—	—	—	—
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		30 206	34 538	43 322	17 430	34 347	34 347	17 258	15 532	12 581
Landfill Sites		—	—	6 320	2 000	11 917	11 917	5 313	4 781	3 873
Waste Transfer Stations		30 206	34 538	37 003	15 430	22 430	22 430	11 945	10 751	8 708
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		50	61	17	92	92	92	5	4 748	4
Rail Lines		—	—	—	—	—	—	—	—	—
Rail Structures										
Rail Furniture										
Drainage Collection		50	61	17	92	92	92	5	4 748	4
Storm water Conveyance		—	—	—	—	—	—	—	—	—
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		—	—	—	—	—	—	—	—	—

Community Assets	2 822	1 785	5 564	6 496	21 706	21 706	12 473	11 226	9 093
Community Facilities	2 822	1 785	5 564	6 496	21 706	21 706	12 473	11 226	9 093
Halls									
Centres									
Crèches									
Clinics/Care Centres									
Fire/Ambulance Stations	97	451	–	252	252	252	124	112	90
Testing Stations									
Museums									
Galleries									
Theatres									
Libraries	1 232	1 221	5 402	6 000	17 310	17 310	9 152	8 237	6 672
Cemeteries/Crematoria									
Police									
Parks	1 493	114	57	61	3 961	3 961	3 197	2 877	2 331
Public Open Space	–	–	–	–	–	–	–	–	–
Nature Reserves									
Public Ablution Facilities									
Markets									
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals	–	–	106	183	183	183	–	–	–
Capital Spares									
Sport and Recreation Facilities	–	–	–	–	–	–	–	–	–
Indoor Facilities									
Outdoor Facilities	–	–	–	–	–	–	–	–	–
Capital Spares									
Heritage assets	–	–	–	329	329	329	–	–	–
Monuments									
Historic Buildings									
Works of Art	–	–	–	329	329	329	–	–	–
Conservation Areas									
Other Heritage									
Investment properties	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property									
Unimproved Property									
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property									
Unimproved Property									
Other assets	22 259	21 573	22 689	21 021	58 301	58 301	38 939	35 045	25 448
Operational Buildings	22 259	21 573	22 689	21 021	58 301	58 301	38 939	35 045	25 448
Municipal Offices	22 259	21 573	22 689	21 021	53 301	53 301	34 908	31 418	25 448
Pay/Enquiry Points									
Building Plan Offices	–	–	–	–	–	–	–	–	–
Workshops	–	–	–	–	5 000	5 000	4 031	3 628	–
Yards									
Stores									
Laboratories									
Training Centres									
Manufacturing Plant									
Depots									
Capital Spares									
Housing	–	–	–	–	–	–	–	–	–
Staff Housing									
Social Housing									
Capital Spares									
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–

Biological or Cultivated Assets										
<u>Intangible Assets</u>	-	-	-	-	-	-	-	-	-	
Servitudes										
Licences and Rights	-	-	-	-	-	-	-	-	-	
<i>Water Rights</i>										
<i>Effluent Licenses</i>										
<i>Solid Waste Licenses</i>										
<i>Computer Software and Applications</i>										
<i>Load Settlement Software Applications</i>										
<i>Unspecified</i>										
<u>Computer Equipment</u>	-	-	-	-	-	-	-	-	-	
Computer Equipment										
<u>Furniture and Office Equipment</u>	-	-	-	-	-	-	-	-	-	
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	
<u>Machinery and Equipment</u>	2 161	1 106	642	1 588	2 088	2 088	1 232	1 109	898	
Machinery and Equipment	2 161	1 106	642	1 588	2 088	2 088	1 232	1 109	898	
<u>Transport Assets</u>	21 754	42 488	38 250	33 180	42 480	42 480	33 251	31 633	21 310	
Transport Assets	21 754	42 488	38 250	33 180	42 480	42 480	33 251	31 633	21 310	
<u>Land</u>	-	-	-	-	-	-	-	-	-	
Land										
<u>Zoo's, Marine and Non-biological Animals</u>	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals										
<u>Living resources</u>	-	-	-	-	-	-	-	-	-	
Mature	-	-	-	-	-	-	-	-	-	
<i>Policing and Protection</i>										
<i>Zoological plants and animals</i>										
Immature	-	-	-	-	-	-	-	-	-	
<i>Policing and Protection</i>										
<i>Zoological plants and animals</i>										
Total Repairs and Maintenance Expenditure	1	383 674	463 484	313 986	222 320	443 893	443 893	208 691	239 678	187 617
<i>R&M as a % of PPE & Investment Property</i>		5,8%	7,2%	4,7%	3,5%	6,6%	6,6%	3,1%	3,7%	2,9%
<i>R&M as % Operating Expenditure</i>		8,5%	9,9%	6,3%	5,1%	9,4%	9,4%	6,6%	5,3%	3,9%

MP326 City of Mbombela - Supporting Table SA34d Depreciation by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		445 874	451 180	262 994	598 644	452 344	452 344	507 659	609 378	639 846
Roads Infrastructure		251 489	256 347	107 991	281 033	144 733	144 733	171 705	206 046	216 349
Roads		251 489	256 347	107 991	281 033	144 733	144 733	171 705	206 046	216 349
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		52 647	52 053	41 679	110 578	110 578	110 578	83 177	99 812	104 803
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		52 647	52 053	41 679	110 578	110 578	110 578	83 177	99 812	104 803
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		74 010	83 601	68 523	107 649	97 649	97 649	108 952	130 742	137 279
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		74 010	83 601	68 523	107 649	97 649	97 649	108 952	130 742	137 279
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		66 623	58 131	44 417	97 228	97 228	97 228	143 214	172 044	180 646
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		66 623	58 131	44 417	97 228	97 228	97 228	143 214	172 044	180 646
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		1 105	1 047	384	2 157	2 157	2 157	611	733	770
Landfill Sites		1 105	1 047	384	2 157	2 157	2 157	611	733	770
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

Community Assets	10 641	10 641	8 408	22 492	12 392	12 392	13 369	16 043	16 845
Community Facilities	10 641	10 641	8 408	22 492	12 392	12 392	13 369	16 043	16 845
Halls	-	-	-	-	-	-	-	-	-
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	10 641	10 641	8 408	22 492	12 392	12 392	13 369	16 043	16 845
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
Investment properties	2 443	2 443	2 443	-	-	-	3 884	4 661	4 894
Revenue Generating	2 443	2 443	2 443	-	-	-	3 884	4 661	4 894
Improved Property	-	-	2 443	-	-	-	3 884	4 661	4 894
Unimproved Property	2 443	2 443	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Other assets	73 411	73 581	59 685	82 256	289 588	289 588	164 850	140 061	106 882
Operational Buildings	73 411	73 581	59 685	82 256	289 588	289 588	164 850	140 061	106 882
Municipal Offices	73 411	73 581	59 685	82 256	289 588	289 588	164 850	140 061	106 882
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	1 612	2 237	1 776	2 140	2 140	2 140	2 824	3 389	3 558
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	1 612	2 237	1 776	2 140	2 140	2 140	2 824	3 389	3 558
Water Rights	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	1 612	2 237	1 776	2 140	2 140	2 140	2 824	3 389	3 558
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-

<u>Computer Equipment</u>		4 420	4 726	4 823	10 856	10 606	10 606	702	843	885
Computer Equipment		4 420	4 726	4 823	10 856	10 606	10 606	702	843	885
<u>Furniture and Office Equipment</u>		4 277	4 504	4 794	8 977	8 977	8 977	7 622	9 147	9 604
Furniture and Office Equipment		4 277	4 504	4 794	8 977	8 977	8 977	7 622	9 147	9 604
<u>Machinery and Equipment</u>		3 242	3 543	3 633	15 610	12 310	12 310	5 776	6 931	7 278
Machinery and Equipment		3 242	3 543	3 633	15 610	12 310	12 310	5 776	6 931	7 278
<u>Transport Assets</u>		11 434	12 031	13 111	16 608	13 948	13 948	20 847	25 017	26 267
Transport Assets		11 434	12 031	13 111	16 608	13 948	13 948	20 847	25 017	26 267
<u>Land</u>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<u>Living resources</u>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>										
<i>Zoological plants and animals</i>										
Immature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>										
<i>Zoological plants and animals</i>										
Total Depreciation	1	557 352	564 885	361 667	757 582	802 305	802 305	727 533	815 468	816 059

2.8 LEGISLATION COMPLIANCE STATUS

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

2.8.1 In-year reporting

Reporting requirements in terms of the Municipal Finance Management Act and its regulations have been complied with.

1.8.2 Internship program

The City is participating in the Municipal Financial Management Internship program and has employed financial management interns undergoing training in various divisions of the Financial Management Department.

1.8.3 Budget and Treasury Office

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

1.8.4 Audit Committee

An Audit Committee has been established and is fully functional.

1.8.5 Service Delivery and Implementation Plan

The detail Service Delivery Budget and Implementation Plan document is at a draft stage and will be finalised within 28 days after the tabling of the final 2026/2027 – 2028/2029 Medium Term Revenue and Expenditure Framework on the 29 May 2026 directly aligned and will be informed by the final 2026/2027 IDP and budget.

1.8.6 Annual Report

Annual report is compiled in terms of the Municipal Finance Management Act and its regulations.

1.8.7 Municipal Finance Management Act Training

The MFMA training module in electronic format is presented at the City's internal center and training is ongoing.

1.8.8 Policies

All budget-related policies mentioned earlier above have been tabled together with the final budget before council on 29 May 2026.

2.9

MUNICIPAL MANAGERS' QUALITY CERTIFICATION

I **Mr. W Khumalo**, Municipal Manager of City Of Mbombela, hereby certify that the final annual budget and supporting documentation for 2026/2027 - 2028/2029 have been prepared in accordance with the Municipal Finance Management Act 56 of 2003 and the regulations made under the Act, and that the draft annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Name: ME NKOSI
Municipal Manager: City of Mbombela

Signature 

Date 19 June 2026