



VICTOR KHANYE

LOCAL MUNICIPALITY - PLAASLIKE MUNISIPALITEIT

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BUDGET & TREASURY OFFICE

QUALITY CERTIFICATE

I, **T.M MASHABELA**, Municipal Manager of Victor Khanye Local Municipality, hereby certify that the budget statement for the third quarter (Jan – Mar 2025/26) has been prepared in accordance with the Municipal Finance Management Act and regulation made under that Act

INITIALS AND SURNAME *T.M MASHABELA*

MUNICIPAL MANAGER OF VICTOR KHANYE LOCAL MUNICIPALITY MP311

SIGNATURE *T.M MASHABELA*

DATE *12 May 2026*



VICTOR KHANYE

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FINANCIAL SERVICES

Enquires: S Maphanga

Ref: 8/2/1/2

TO : MUNICIPAL MANAGER
T.M MASHABELA

FROM : CHIEF FINANCIAL OFFICER
T.P MAHLANGU

DATE : 05 MAY 2026

RE : SECTION 52(d) REPORT

REASON FOR REPORT

To provide the Executive mayor/Council with the budget and financial performance report for third quarter period (1 Jan – 31 Mar 2025_26).

STRATEGIC THRUST

Improve compliance to MFMA and VKLM policy Framework

PRIORITY ISSUE

Number of quarterly section 52(d) MFMA reports submitted to Mayoral committee within legislative timeframes

LEGISLATIVE CONTEXT

In terms of section 52(d) of the Municipal Finance Management Act (MFMA) No. 56 of 2003, the accounting officer of a municipality must by no later than 30 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasuries a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month

- a) Actual revenue, per revenue source;
- b) Actual borrowings;
- c) Actual operating expenditure, per vote;

- d) Actual capital expenditure, per vote;
- e) The amount of any allocation received;
- f) Actual expenditure on those allocations, excluding expenditure on –
 - i. Its share of the local government equitable share; and
 - ii. Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph and;
- g) When necessary, an explanation of –
 - iii. Any material variance from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
 - iv. Any material variance from the service delivery and budget implementation plan; and
- v. Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remains within the municipality's approved budget

The format was amended in line with the Municipal Budget and reporting regulations and approved in terms of section 168 of the MFMA, per government gazette no 32141 dated 17 April 2009 for implementation with effect from 1 Third quarter 2009 as follows:

Table C1 s71 actual quarterly Budget Statement Summary;

Table C2 actual quarterly Budget Statement- Financial Performance (standard classification);

Table C3 actual quarterly Budget Statement – Financial Performance (per vote);

Table C4 actual quarterly Budget Statement – Financial Performance (revenue and expenditure);

Table C5 actual quarterly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding);

Table C6 actual quarterly budget statement – financial position.

Table C7 actual quarterly statement - Cash flow.

REASON FOR REPORT

Apart from the legislative requirement to report, it is of utmost importance that directorates have sufficient and correct management information available to take informed decisions when policies, the IDP and SDBIP are implemented.

DISCUSSION

To ensure legally sound financial management on the activities performed by the Municipality and financial viability, also to provide a quarterly report on the implementation of the Annual Report and the actual quarterly expenditure and revenue on standard classification of vote.

MOTIVATIONS AND OPTIONS:

- **EXECUTIVE SUMMARY**

- **Table C1: Quarterly Budget Statement Summary – Q3 (Jan - Mar 2025_26)**

Description	Budget	Adjustment budget	Q1 Actuals	Q2 Actual	Q3 Actuals	YTD Actual
Revenue	- 948 495 000	- 973 500 000	-430 502 000	390 961 000	- 567 783 000.00	- 1 389 246 000
Expenditure	994 017 000	1 002 079 000	194 189 000	231 445 000	238 247 000.00	663 880 000
Surplus/Deficit	45 522 000	28 579 000	-236 313 000	159 516 000	- 329 536 000.00	- 725 366 000
Capital expenditure	29 618 000	64 495 000	5 883 000	10 347 000	8 772 000.00	25 002 000
Debtors			1 374 391 318	1 776 903 432	2 099 667 853	
Creditors			1 667 718 118	1 763 478 364	1 783 157 466	
Avarege payment rate	85%		36%	23%	24%	

The actual revenue billed in the third quarter amounted to **R567.7 million** with a year-to-date actual of **R1.3 billion**. In comparison with the year-to-date budget of **R721 million**, there is a positive variance of **R667 million (93%)**. The unresolved enquiry between the municipality and Kusile Power Station over the valuation, has significantly increased the revenue billed yet the collection remains low.

The expenditure in the third quarter amounted to **R238 million** with a year-to-date actual of **R663.8 million**. In comparison with the year-to-date budget of **R747 million**, there is a negative variance of **R83.8 million (-11%)**. Many adjustments made to water meter readings affected the billing. However, the data-cleansing programme done in-house by the revenue section, aims to address issues such as Incorrect meter readings, Accounts billed to deceased or unknown persons, Accounts with no billing but accumulating debt and is anticipated to increase billing in the fourth quarter and going forward.

The net operating surplus for Third quarter amounts to **R329 million** and the year-to-date surplus amounts to **R725 million**.

The collection rate has amongst other things been negatively affected by the unresolved enquiry between the municipality and Kusile Power Station. However, the supplementary valuation done by the municipality showed the same market value but in different categories.

Billing inclusive of the **new** property valuation of Kusile Power Station. **(24%)**

	Q1	Q2	Q3
Billing	343 538 702	425 513 844	410 720 744
Collection	- 105 869 310	- 96 177 525	- 97 571 938
Collection rate	-31%	-23%	-24%

Billing inclusive of the **old** property valuation of Kusile Power Station. **(60%)**

	Q1	Q2	Q3
Billing	177 757 621	176 842 224	162 047 123
Collection	- 105 869 310	- 96 177 525	- 97 571 938
Collection rate	-60%	-54%	-60%

Grant allocation received for Third quarter for MIG amounted to **R7.9 million** and **R52.3 million** for Equitable Share. Capital expenditure incurred for MIG in the third quarter amounted to **R8 million (71%)** which is lower than the baseline of **75%** for the third quarter.

A new allocation of **R6 Million**, for **Municipal Disaster Response Grant** was received for infrastructure damages caused by floods of December and January 2026. The condition of this grant is that it be fully spent on the identified and approved projects within a period of six months, April 2025/26 - September 2026/27.

Total outstanding debtors amounts to **R2 billion**, and total outstanding creditors amounts to **R1.7 billion** of which the highest is an amount of **R1.2 billion** owed to Eskom and **R510 million** owed to Rand Water.

EXCHANGE REVENUE

	Original Budget 2025/2026	Adjustment Budget	Q1 Actual	Q2 Actual	Q3 Actual	YTD Actual	YTD Budget	Variance	Variance %
R Thousands									
Revenue by source									
Exchange revenue									
Service charges-electricity revenue	246 628 000	250 631 000	57 870 000	49 305 000	53 903 000	161 078 000	186 572 000	- 25 494 000	-14%
Service charges-water revenue	78 691 000	78 691 000	32 727 000	5 258 000	15 466 000	53 451 000	59 018 250	- 5 567 250	-9%
Service charges-sanitation revenue	14 392 000	14 392 000	3 369 000	3 227 000	3 190 000	9 786 000	10 794 000	- 1 008 000	-9%
Service charge_refuse revenue	15 318 000	18 318 000	4 120 000	3 905 000	3 777 000	11 802 000	12 688 000	- 886 000	-7%
Sale of Goods and rendering of services	7 231 000	9 086 000	505 000	575 000	1 756 000	2 836 000	6 165 000	- 3 329 000	-54%
interest earned-outsanding debtors	165 255 000	165 255 000	16 000	204 000	219 000	440 000	123 941 250	-123 501 250	-100%
interest from current assets and non cu	-	-	-	-	-	-	-	-	-
Rental facilities and equipment	1 641 000	1 641 000	571 000	546 000	453 000	1 570 000	1 231 500	338 500	27%
Operational revenue	806 000	431 000	70 000	463 000	58 000	591 000	455 500	135 500	30%
Non-exchange revenue									
property rates	128 920 000	138 920 000	279 860 000	285 720 000	295 729 000	861 309 000	100 690 000	760 619 000	755%
Fines,penalties and forfeits	2 235 000	2 235 000	335 000	415 000	424 000	1 174 000	1 676 000	- 502 000	-30%
Surcharges and Taxes	73 281 000	73 281 000	17 259 000	16 379 000	16 160 000	49 798 000	54 960 000	- 5 162 000	-9%
Transfers and Subsidies-Operational	161 007 000	161 007 000	8 161 000	1 000	148 974 000	157 136 000	120 755 000	36 381 000	30%
interest	53 090 000	59 612 000	25 640 000	2 496 400	27 673 000	78 277 000	42 426 500	35 850 500	85%
other Gains	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfr	948 485 000	973 500 000	430 503 000	358 494 400	567 782 000	1 389 248 000	721 373 000	667 875 000	89%

Service Charges – Electricity: Billing for the third quarter amounted to **R53 million**, reflecting a negative variance of **14%** against the budgeted amount. Despite this underperformance, electricity remains the highest-performing service revenue stream. The variance may be attributed to factors such the impact of illegal connections or energy losses.

As part of the revenue enhancement strategy, the municipality will implement targeted credit control measures, including the disconnection of water and electricity services for non-paying businesses, with a focus on the top 50 debtors. This intervention is expected to reinforce a culture of payment compliance and improve collection rates.

Service Charges – Water – Billing for water in the third quarter amounted to **R15 million (-9%)**, with the year to date of **R53 million**, there's an acceptance variance of **-9%** when compared with the year to date budget **R59 million**. Many adjustments made to water meter readings affected the billing. However, the data-cleansing programme done in-house by the revenue section, aims to address issues such as Incorrect meter readings, Accounts billed to deceased or unknown persons, Accounts with no billing but accumulating debt and is anticipated to increase billing in the fourth quarter and going forward where a service charge is billed.

Service Charge – Sanitation

The billed revenue for sanitation amounted to **R3 million** for the period under review, bringing the year-to-date total to **R9.7 million**. When compared to the year-to-date budget of **R10.7 million**, this reflects a negative variance of **9%**. Although sanitation remains the lowest-performing service charge, the variance is still within an acceptable range.

Service Charge – Refuse removal

The billed revenue for refuse removal amounted to **R3.7 million** for the period under review, bringing the year-to-date total to **R11.8 million**. When compared to the year-to-date budget of **R12.6 million**, this reflects a negative variance of **7%**. The variance may be attributed to factors such as the impact of indigent households receiving subsidised services.

Rental of facilities and equipment

Billing for rental of facilities and equipment amounted to **R571 thousand** in the first quarter, decreasing slightly to **R546 thousand** in the second quarter, and further declining to **R453 thousand** in the third quarter. The downward trend is indicative of reduced utilisation of municipal facilities and/or inefficiencies in the billing process.

Despite this decline, the year-to-date actual revenue exceeds the year-to-date budget by **28%**, primarily due to the implementation of revised tariffs. No adjustments were made to this revenue line during the reporting period.

Operational revenue – Billing for operational costs amounted to **R70 thousand** in the first quarter, increased significantly to **R463 thousand** in the second quarter, and declined sharply to **R58 thousand** in the third quarter. The fluctuations observed across the reporting periods indicate inconsistencies in billing patterns, which may be attributed to inefficiencies in the billing process and/or timing differences in the recording of transactions. This trend requires further investigation to ensure completeness and accuracy of billing.

NON-EXCHANGE REVENUE

Property Rates – Billing for property rates has shown a steady increase from **R279 million** in the first quarter to **R295 million** in the third quarter, indicating a growing customer base.

However, when the year-to-date actual billing of **R861 million** is compared to the year-to-date budget of **R1.6 million**, a significant variance of **51 283%** is observed. This variance requires review to ensure more realistic future projections.

A major contributor to the third quarter billing is Kusile Power Station, which accounted for **R240 million** of the total billing. Despite this, payments received from the customer were minimal, amounting to only **R4 200**, thereby significantly affecting the overall collection rate.

As a result, the collection rate declined to **24%** in the third quarter, compared to **36%** in the first quarter. Excluding the impact of the Kusile Power Station's new valuation, the adjusted collection rate for the third quarter would have been approximately **55%**, indicating that the decline is largely attributable to this single high-value account.

Surcharges and Taxes – Billing for the third quarter remained consistent at **R16 million**, in line with the previous quarter. Surcharges are additional fees, charges, or taxes that are added

to the base price of a good or service. These revenues comprise items such as trading licenses, waste disposal from private clients, approval and printing of building plans, printing of clearance/valuation certificates, fire and rescue services etc.

Transfers and subsidies – Capital and in-kind (-100%) are only acknowledged at the end of the financial year when they are recognised as revenue.

Interest Earned on Outstanding Debtors – Billed revenue for interest on outstanding debtors reflected notable fluctuations over the reporting period. Revenue amounted to **R25 million** in the first quarter, declined significantly to **R2 million** in the second quarter, and then increased sharply to **R27 million** in the third quarter. These figures represent both exchange and non-exchange revenue streams combined, indicating instability that may be linked to changes in debtor balances, collection patterns, or the timing of interest calculations and adjustments.

	Original Budget 2015/2016	Adjustment Budget	Q1	Q2	Q3	YTD Actual	YTD budget	Variance	Variance %
R thousands									
Expenditure By Type									
Employee related costs	211 691 000	219 640 000	52 953 000	54 189 000	54 064 000	161 206 000	161 948 000	- 742 000	0%
Remuneration of councillors	12 146 000	12 146 000	2 469 000	2 454 000	2 712 000	7 636 000	9 109 000	- 1 473 000	-16%
Bulk purchases - Electricity	228 174 000	226 174 000	62 751 000	53 675 000	71 443 000	187 869 000	170 330 000	17 539 000	10%
Inventory consumed and Bulk pur	124 623 000	117 918 000	26 701 000	24 833 000	12 038 000	63 572 000	91 985 000	- 28 413 000	-31%
Debt impairment	89 408 000	51 908 000	-	-	-	-	54 556 000	- 54 556 000	-100%
Depreciation and asset impairme	53 279 000	56 591 000	-	14 567 000	14 783 000	29 350 000	41 284 000	- 11 934 000	-29%
Finance charges	50 000 000	50 000 000	17 681 000	29 944 000	41 492 000	89 117 000	41 500 000	47 617 000	115%
Contracted services	128 878 000	144 932 000	14 141 000	33 770 000	30 910 000	81 820 000	100 830 000	- 19 010 000	-19%
Transfers and subsidies	-	-	-	-	-	-	-	-	0%
Irrecoverable debts written off	31 594 000	31 383 000	2 512 000	283 000	-	2 795 000	23 611 000	- 20 816 000	-88%
Operational Costs	64 224 000	71 387 000	11 981 000	17 731 000	10 804 000	40 516 000	52 533 000	- 12 017 000	-23%
Losses on Disposal of Asset	-	-	-	-	-	-	-	-	0%
Other Losses	-	-	-	-	-	-	-	-	0%
Total Expenditure	994 017 000	1 002 979 000	191 189 000	231 446 000	238 246 000	663 881 000	747 686 000	- 83 805 000	-11%

Employee-related costs remained stable across all three quarters, aligning with the approved budget and reflecting no material variance. However, an upward adjustment was made to this line item during the period.

Bulk Purchases – Electricity expenditure totalled **R62 million** in the first quarter, decreased slightly to **R53 million** in the second quarter, and then increased to **R71 million** in the third quarter. The decline in the second quarter can be attributed to delays in receiving invoices. A downward adjustment was also effected on this line item during the period.

An amount of **R13 million** was paid to Eskom in the third quarter, covering both the bulk supply and North Substation accounts. However, the municipality remains non-compliant with the requirements of Debt Relief as outlined in Circular 124.

Inventory Consumed – Expenditure amounted to **R26 million** in the first quarter, decreasing slightly to **R24 million** in the second quarter, and further declining to **R12 million** in the third quarter. This line item includes both bulk water and consumable inventory. The observed fluctuations may be attributed to delays in the receipt of bulk water invoices.

To reduce reliance on Rand Water, the municipality is implementing a project to install water package plants and boreholes, aimed at producing approximately 2 megalitres of water per day. A downward adjustment was also made to this line item during the period.

An amount of **R21 million** was paid to Rand Water in the third quarter.

Depreciation continues to have a material impact on the Municipality's financial performance, as it represents the consumption of infrastructure and other fixed assets over time. While it does not directly affect cash flow, it highlights the need for adequate budgeting for asset maintenance, renewal, and replacement. Calculated for the third quarter is **R14 million**.

Finance Charges – Interest charges increased steadily from **R17 million** in the first quarter to **R41 million** in the third quarter. When compared on a year-to-date basis, actual expenditure of **R89 million** significantly exceeds the year-to-date budget of **R41 million**, resulting in a variance of **115%**. This material variance indicates the need for a review to ensure more accurate and realistic budgeting in future periods.

Contracted Services – Expenditure amounted to **R14 million** in the first quarter, increasing significantly to **R33 million** in the second quarter, followed by a slight decrease to **R30 million** in the third quarter. The increase is mainly attributed to unforeseen expenditure related to the maintenance of water and electricity infrastructure.

To mitigate overspending on contracted services, strengthened contract management practices should be prioritised. An upward adjustment of **R16 million** was also made to this line item during the period.

Operational Costs – Expenditure remained relatively stable over the period, moving from **R11 million** in the first quarter to **R10 million** in the third quarter. On a year-to-date basis, actual expenditure of **R40 million** is below the year-to-date budget of **R52 million**, resulting in a negative variance of **23%**.

This variance reflects cost containment and indicates savings, which is significant given the unfunded nature of the budget. This line item includes general operational expenses not classified under contracted services, such as stationery, materials, chemicals, hiring, skills development, uniforms and protective clothing, as well as operating leases.

REPAIRS AND MAINTENANCE

Description R thousands	Original Budget 2025/26	Adjustment Budget	Q1 Actual	Q2 Actual	Q3 Actual	Year to Date Actual	Year to Date Budget	Variance	Variance %
Infrastructure	17 778 000	31 374 000	2 424 000	13 184 000	18 626 000	33 474 000	16 447 000	17 027 000	196%
Roads Infrastructure	4 000 000	3 000 000	-	732 000	729 000	1 461 000	2 600 000	1 139 000	41%
Capital Spares	4 000 000	3 000 000	-	732 000	729 000	1 461 000	2 600 000	1 139 000	-44%
Electrical Infrastructure	6 000 000	24 162 000	611 000	11 720 000	17 207 000	29 538 000	11 240 000	18 298 000	33%
Capital Spares	6 000 000	24 162 000	611 000	11 720 000	17 207 000	29 538 000	11 240 000	18 298 000	328%
Water Supply Infrastructure	2 000 000	1 000 000	1 437 000	271 000	230 000	513 000	500 000	13 000	3%
Capital Spares	2 000 000	1 000 000	1 437 000	271 000	230 000	513 000	500 000	13 000	3%
Sanitation Infrastructure	2 000 000	2 500 000	-	-	695 000	1 711 000	1 700 000	11 000	100%
solid waste infrastructure	2 000 000	2 500 000	-	-	695 000	1 711 000	1 700 000	11 000	100%
Costal Infrastructure	3 778 000	712 000	376 000	461 000	233 000	251 000	407 000	156 000	-38%
Capital Spares	3 778 000	712 000	376 000	461 000	233 000	251 000	407 000	156 000	-38%
Information and communicat	10 950 000	8 200 000	2 083 000	855 000	1 433 000	2 493 000	7 338 000	4 845 000	57%
Data centres	10 950 000	8 200 000	-	855 000	1 433 000	2 493 000	7 338 000	4 178 000	57%
Capital Spares	10 950 000	8 200 000	2 083 000	855 000	1 433 000	2 493 000	7 338 000	4 845 000	-66%
Total Repairs and Maintenance Expenditure	28 728 000	39 574 000	4 507 000	14 039 000	20 061 000	35 967 000	23 785 000	12 182 000	51%

Repairs and maintenance analysis

Supporting table SC13c measures the extent to which Council's assets are maintained per asset class. Expenditure incurred keeps escalating, from **R4.5 million** in the first quarter to

R20 million in the third. This line segment received an upward adjustment of **R10 million**. However, maintenance of assets should have a limit for repairs and routine upkeep (operational expenditure or OpEx) to ensure cost control. While routine maintenance is expensed immediately, expenditures that improve an asset or extend its useful life beyond the original estimate may be capitalized.

NORMS AND RATIOS

Current ratio (0:68)

The ratio shows that the municipality it is having financial challenges and insufficient cash to pay off its short-term liabilities using its short-term assets.

Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position	15 - 21		0.68
		Budget, IDP and AR		Current Assets	1 557 935
				Current Liabilities	2 294 656

Collection Rate (24%)

A low collection rate signal problems with billing, credit policies, or customer payment habits, potentially impacting revenue.

Collection Rate	(Gross Debtors Closing Balance + Billed revenue - Gross Debtors Opening Balance - Bad debts written off) Billed revenue x100	Statement of Financial Position, Statement of financial performance, Notes to the AFS, Budget in-year reports, IDP and AR	95%		24%
				Gross Debtors closing balance	5 971 703 993
				Gross Debtors opening balance	5 034 182 645
				Bad debts written Off	-
				Billed Revenue	135 757 331

Cash/Cost coverage ratio (1 Month)

The ratio shows the municipality will be vulnerable and at a higher risk in the event of financial "shocks/set-backs" and its ability to meet its obligations to provide basic services or its financial commitment is compromised.

Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment / Monthly Fixed Operational Expenditure, excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year Reports and AR	1 - 3 Months		1 Month
				Cash and cash equivalents	39 477 930
				Unspent Conditional Grants	-
				Overdraft	-
				Short Term Investments	-
				Total Annual Operational Expenditure	663 880 000

Capital expenditure to operating expenditure (5%)

The ratio shows that the low spending by the municipality in infrastructure holds potential risks to service delivery.

Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) = 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%		5%
				Total Operating Expenditure	60 918 000
				Taxation Expense	-
				Total Capital Expenditure	3 359 000

Contracted services (18%)

Outsourcing decisions will have to be weighed against the ability to attract skills; however, increases in this ratio can further expose the municipality to other risks, such as its inability to fully implement the cost curtailment policy and non-adherence to the procurement plan.

Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%		18%
				Contracted Services	10 992 000
				Total Operating Expenditure	60 918 000
				Taxation Expense	-

Creditor's payment period (351 Days)

Whilst the number of days it takes the municipality to pay its suppliers after receiving goods or services indicates cash flow problems, it is also a direct violation of Section 65(2)(e) of the Municipal Finance Management Act (MFMA) No. 56 of 2003. This severely affect the SMMES, and attracts high interest charges which are classified as fruitless and wasteful expenditure.

Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days		351 days
				Trade Creditors	1 783 157 466
				Contracted Services	30 910 000
				Repairs and Maintenance	20 061 000
				General expenses	30 989 000
				Bulk Purchases	1 770 431 652
				Capital Credit Purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)	

4.1 CAPITAL EXPENDITURE

Grants	Gazetted Amnt	Total Received to date	Q1 Actual	Q2 Actual	Q3 Actual	YTD spendin	% spent on received amt
MIG	29 618 000	29 618 000	5 883 000	10 347 000	4 895 921	21 125 921	71%

Total allocation for capital grants from the National Treasury for the **2025_26** financial year amounted to **and R29.6 million** for MIG as per the gazette. Allocation received in the third quarter amounted to **R7.9 million**. However, the expenditure incurred in the third quarter amounted to **R10 million**.

4.2 CASH FLOW STATEMENT

Net Cash from operating activities

The net cash from operating activities as at 31 March 2026 amounted to a favourable **R3.4 million** which is supported by grants received from operational and capital project. The municipality cash flow from operating activities shows a positive move which indicate that the budget funding plan of the municipality must be fully implemented in order to maximise revenue.

The ability to collect revenue from our customers will lead to a positive cash and cash equivalent over the medium term which will automatically lead to a sustainable and funded budget to enable the municipality to honour its debts.

Net Cash from investing activities

The net cash from investing activities shows a cash outflow resulting from the acquisition of a tipper truck and a compactor truck which added to the Municipal fleet and reflects on the Fixed Assets Register and includes the capital expenditure from grants.

Net Increase/ Decrease in cash held

The municipality recorded an increase in net cash held of **R4.7 million** as at 31 March 2025.

Description	Mar 2025_26 Actual
R thousands	
CASH FLOW FROM OPERATING ACTIVITIES	
Receipts	
Property rates, penalties & collection charges	9 019
Service charges	19 098
Other revenue	26 192
Government - operating	45 460
Government - capital	5 372
Interest	408
Dividends	-
Total receipts	105 550
Payments	
Suppliers and employees	(69 402)
Finance charges	(9 714)
Transfers and Grants	(23 025)
Total payments	(102 140)
NET CASH FROM/(USED) OPERATING ACTIVITIES	3 409
CASH FLOWS FROM INVESTING ACTIVITIES	
Receipts	
Received from arrangements	-
Disposal of assets	-
(Increase) / Decrease in non-current investments	-
Payments	(2 020)
Capital assets	(2 020)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(2 020)
CASH FLOWS FROM FINANCING ACTIVITIES	
Receipts	
Increase in consumer deposits	4
Borrowing long term/refinancing	-
Payments	
Repayment of borrowing	-
Finance lease payments	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	4
NET INCREASE/ (DECREASE) IN CASH HELD	28 364
Cash/cash equivalents at beginning of the month:	11 114
Cash/cash equivalents at month end:	39 478

5. IN-YEAR BUDGET STATEMENT TABLES

Table C2: Quarterly Financial Performance by Vote

Table C2 measures the quarterly actuals against the year-to-date SDBIP figures which realized by vote for revenue and expenditure. The deviations by vote are reflected in the year-to-date (YTD) variance column.

The difference in revenue variations between Table C2 and Table C1 is the result of capital grants received, which are included in Table C2.

Table C3: Quarterly Financial Performance (Revenue and Expenditure by Vote):

Table C3 measures the actual year to date against the year to date SDBIP figures which have been realised by vote for the revenue and expenditure. The deviations by vote are reflected in the year-to-date (YTD) variance column. Total billed revenue by vote for the third quarter amounted to R567 million and total expenditure amounted to R235 million.

Table C4: Quarterly Financial Performance by Revenue Source and Expenditure Type

Table C4 provides details of the service delivery targets for revenue by source and expenditure by type. For revenue, the main deviations are service charges: water, rental of facilities, interest on investments and outstanding debtors, fines, licenses and permits and agency services and other revenue. In the case of expenditure finance charges, contracted services, bulk purchases, other materials, transfer & subsidies and other expenditure. The total deviation in revenue is 93% and -11% for expenditure of the third quarter compared to the budget.

Table C5: Quarterly Capital Expenditure by Vote

Table C5 indicates the quarterly actuals on capital expenditure for all votes and measures the year-to-date actuals against the year to date planning (SDBIP) figures. For the third quarter, there was capital expenditure amounting to R8.7 million. All municipal departments have been sensitised on the urgency of spending on capital projects that are grant funded and the spending have been linked to the performance of each Executive Directorate.

Table C6: Quarterly Budget Statement Financial Position

The table provides an overview of the financial position of the municipality's assets and liabilities. As at 31 March 2026, the community wealth amounts to a favourable R253 thousand. Total liabilities amounts to R2.3 billion, whilst total assets amounts to R2.6 billion which resulted in the favourable net-assets R253 thousand, all figures are accumulative.

Table C7: Quarterly Budget Statement Cash Flow

Table C7 provides detail of the actual year to date in-flow and out-flow. For the Third quarter, the net cash from operating activities was a favourable R138 million, the net cash from investing activities amounted to an unfavourable R7.8 million. The net cash from financing activities amounts to R0.

The Bank balance as at 31 March 2025 amounted to a favourable balance of R 39 million.

BANK NAME	TYPE OF ACCOUNT	BALANCE
STD BANK	MAIN ACCOUNT	635 750
STD BANK	CALL ACCOUNT ELE	32 367 860
STD BANK	CALL ACCOUNT	1 885
STD BANK	TRAFFIC	30 221
STD BANK	MONEY MARKET	224 046
ABSA BANK	CALL ACCOUNT	6 218 168
BALANCE		39 477 930

3 SUPPORTING DOCUMENTATION

- **3.1 PERFORMANCE INDICATORS:**

- Supporting table SC2 provides detail on performance indicators in particular to revenue management.
- The measurement of the payment rate is based on the circular 71 method as prescribed by National Treasury. The formula is based on the gross debtor opening balance plus billed revenue less gross debtor closing balance less bad debts written off divide by billed revenue.

- **3.2 DEBTORS/RECEIVABLES ANALYSIS:**

- 3.3.1 Supporting table SC3 provides details on consumer debtors. Outstanding debtors amounted to **R2 billion** including interest on arrears. Outstanding debtors over 90 days amounts to **R1.7 billion**. The table below reflects the debtor's age analysis by customer group.

CUSTOMER GROUP	JANUARY	FEBRUARY	MARCH
Organs of state	11 704 691	11 685 377	12 717 484
Commercial	88 288 991	89 726 558	91 066 797
Households	999 216 150	1 014 349 859	1 030 083 513
Mines	22 817 963	24 078 463	24 954 554
Farms	674 423 449	759 223 213	852 879 283
Indigents	53 179 318	54 189 647	54 957 210
Top 200	29 466 351	29 751 966	27 891 130
Municipal prop	51 969	54 769	57 598
Other	4 810 566	5 016 842	5 060 285
	1 883 959 447	1 988 076 693	2 099 667 853

- The measurement of the rate is based on the amount received up to the levy date in third quarter, compared to the levy that was done in the previous quarters. The collection rate for the third quarter is **(24%)** and is higher than the second quarter **(23%)** but lower than the first quarter **(31%)**. The payment rate has been negatively affected by the unresolved enquiry between the municipality and Kusile Power Station. To date, billing for the power station under the new valuation amounted to **R745 million**, with only **R8.4 thousand** collected.

	Q1	Q2	Q3
Billing	343 538 702	425 513 844	410 720 744
Collection	- 105 869 310	- 96 177 525	- 97 571 938
Collection rate	-31%	-23%	-24%

3.3 CREDITORS ANALYSIS:

Supporting table SC4 provides details on aged creditors. In terms of the Municipal Finance Management Act all creditors must be paid within 30 days of receiving the invoice or statement.

For the month ended in March 2025_26, creditors amounted to **R 1.7 billion** and the bulk of the creditors relates to Eskom account with an amount **R1.2 billion** and Rand Water with an amount of **R510 million**.

3.4 COUNCILLORS ALLOWANCES AND EMPLOYEE BENEFITS ANALYSIS:

The table SC8 provides details for councillor and employee benefits. For the third quarter 2025/26 total salaries, allowances and benefits amounted to **R56.7 Million**.

3.5 CAPITAL EXPENDITURE TREND

Supporting table SC12 provides information on the quarterly trends for capital expenditure. In terms of this table, the capital expenditure incurred for the third quarter amounted to **R8.7 million**.

Attached as Annexure are the following:

- The actual quarterly Budget Statement Annexure "A"
- Consumer Account Payment levels Annexure "B"
- Actual year to date of consumer debtors – Age analysis Annexure "C"
- A creditors age analysis Annexure "D"
- Non-compliance letter from Provincial Treasury and self-assessment for March 2026 is attached as Annexure "E"
- Government debt Annexure "F"

DEBTORS

Debtors' Age Analysis as at 31 Mar 2025_26, outstanding debtors comprise of consumer and sundry debtors. The total outstanding debtors amounts to **R2 billion** the consumer debtors amount to **R1.9 billion** and sundry debtors amount to **R147 million**. Creditors to the amount **R1.7 billion** were not paid during the month.

Description	NT Code	Budget Year 2025/26										Total	Over 1Yr	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.e Council Policy		
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dya-1 Yr	Over 1Yr	Total								
R thousands																		
Debtors Age Analysis By Income Source																		
Trade and Other Receivables from Exchange Transactions - Water	1200	4 535	3 423	3 000	2 844	3 371	4 294	6 028	259 572	287 937	280 009	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	15 067	1 540	938	490	398	445	972	23 240	43 056	26 451	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	103 983	89 790	88 484	87 639	87 346	87 054	87 003	321 373	962 642	758 865	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	1 012	528	466	410	383	326	335	22 578	26 006	24 528	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	3 026	811	577	533	484	535	477	28 853	33 257	29 459	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	5 715	5 289	5 267	5 138	5 235	5 238	5 204	255 370	292 466	281 502	-	-	-	-	-	-	-
Interest on A/mear Debtor Accounts	1810	8 689	9 602	9 334	9 119	8 908	8 797	8 610	252 478	316 548	297 246	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	2 031	981	1 472	834	634	977	1 514	139 198	147 632	144 619	-	-	-	-	-	-	-
Total By Income Source	2000	145 040	111 915	110 469	107 007	108 698	107 667	110 222	1 300 651	2 099 668	1 842 714	-	-	-	-	-	-	-
2019/20 - totals only																		
Debtors Age Analysis By Customer Group																		
Organs of State	2200	1 056	456	894	288	(38)	89	322	9 651	12 717	11 205	-	-	-	-	-	-	-
Commercial	2300	5 771	2 990	2 590	2 094	1 894	1 815	1 974	71 940	91 067	82 306	-	-	-	-	-	-	-
Households	2400	24 497	19 197	18 779	17 761	17 909	18 578	19 922	869 441	1 030 084	986 300	-	-	-	-	-	-	-
Other	2500	113 716	86 272	89 206	86 864	86 934	87 185	88 035	325 619	955 800	762 812	-	-	-	-	-	-	-
Total By Customer Group	2600	145 040	111 915	110 469	107 007	106 698	107 667	110 222	1 300 651	2 099 668	1 842 714	-	-	-	-	-	-	-

CREDITORS

Description	NT Code	Budget Year 2025/26						Total		
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days		181 Days - 1 Year	Over 1 Year
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	25 842	28 541	11 896	26 362	1 167 092	-	-	-	1 239 804
Bulk Water	0200	9 324	7 424	8 996	8 978	475 915	-	-	-	510 628
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output tax input)	0400	-	-	-	-	-	-	-	-	-
Pensioners / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	3 813	197	6	1 340	-	-	-	5 355
Auditor General	0800	109	409	3 270	881	1 622	-	-	-	6 300
Financial Systems	0900	287	183	661	-	-	-	-	-	1 108
Total By Customer Type	1000	38 562	40 347	25 079	36 237	1 645 969	-	-	-	1 783 196

8. Allocation and grant receipts and expenditure

Grants	Gazetted Amnt	Total Received to date	Q1 Actual	Q2 Actual	Q3 Actual	YTD Actual	% spent on received amount
FMG	1 900 000	1 900 000	473 004	956 484	470 429	1 429 488	75%
EPWP	1 976 000	1 976 000	-	997 259	978 741	1 976 000	100%
MIG	29 618 000	24 246 000	5 883 000	10 347 000	4 895 921	21 125 921	87%

- An amount of R732 thousand funded the EPWP through the internally generated funds.

New Grant Allocation as per the amended DoRA – Municipal Disaster Recovery Grant

Grants	Gazetted Amnt	Total Received to date	YTD spending	% spent on received amt
MDRG	6 000 000	6 000 000	-	0%

9. Councillors and employee benefits

Number of months----->

9

	Pro-rata		Adjustment		Q3		YTD		%		Reason for Variance
	Budget		Budget		Actual		Actual		Actual		
Councillors:											
Allowances	9 109 500		9 109 500		2 712 000		7 636 000		83.8%		None
Employees:											
Basic salary	87 759 000		96 196 500		32 545 000		96 472 000		100.3%		Variance is due to new appointments
Travelling allowance	10 361 250		10 110 000		2 844 000		8 894 000		88.0%		None
Overtime	15 525 750		13 933 500		3 794 000		12 052 000		86.5%		None
Employee social contributions	45 129 750		44 506 500		14 881 000		43 787 000		98.4%		None
TOTAL	167 885 250		173 856 000		56 776 000		168 841 000		97.1%		

1.1 The current debt status as at 31 March 2026

DEBT-BOOK PER SERVICE						
SERVICE	Jan-26		Feb-26		Mar-26	
	TOTAL	ALLOCATIONS	TOTAL	ALLOCATIONS	TOTAL	ALLOCATIONS
RATES	769 969 539.87	41%	856 591 242.72	43%	952 641 817.34	45%
INTEREST	299 027 807.72	16%	307 992 409.92	15%	316 548 130.24	15%
WATER	285 555 719.99	15%	288 456 768.13	15%	292 485 878.03	14%
HIRE	283 855 519.18	15%	286 717 313.21	14%	287 937 354.40	14%
VAT	89 169 411.42	5%	90 217 965.73	5%	91 098 963.65	4%
ELECTRICITY	42 327 749.51	2%	42 825 704.17	2%	43 058 084.68	2%
SUNDRY NON VAT	42 145 678.04	2%	42 034 641.98	2%	41 971 754.32	2%
REFUSE	31 043 395.11	2%	31 581 236.01	2%	33 297 166.95	2%
SEWERAGE	26 183 095.17	1%	26 221 288.19	1%	26 067 735.29	1%
SUNDRIES VAT	22 220 433.36	1%	22 205 592.51	1%	22 112 890.24	1%
OTHER SERVICES	2 384 097.65	0%	2 384 097.65	0%	2 383 508.01	0%
DEPOSIT	- 098.62	9	- 347.43	10	- 925.53	9
ADVANCE PAYMENT	- 9 917 658.89	-1%	- 9 140 242.15	0%	- 9 925 504.76	0%
Grand Total	1 883 955 689.51	100%	1 988 077 670.64	100%	2 099 667 852.86	100%

Debt Movement

VICTOR KHANYE

LOCAL MUNICIPALITY – PLAASLIKE
MUNISIPALITEIT

MOVEMENT IN DEBT BOOK - VICTOR KHANYE LOCAL MUNICIPALITY - QUARTER 3 - 2025/2026

Period	Opening balance	Movement	Closing balance	Decrease/increase %
Jan-26	1 776 903		1 883 955	
	432.06	107 052 257.43	689.49	6.02%
Feb-26	1 883 955		1 988 077	
	689.49	104 121 981.15	670.64	5.53%
Mar-26	1 988 077		2 099 667	
	670.64	111 590 182.22	852.86	5.81%
Total Movement for Quarter 3				

- ✓ The major contributor to the increase in the debt book is the unpaid disputed amount from Khusile Power station, increase in valuations and properties correctly classified as vacant stands

1.2 Top two owing Categories

Rates increased from 41% in January to 45% in March 2026, reflecting an increase of 4% over the past three-months. This increase is mainly influenced by the Eskom's Kusile Power Station and the disputes arising from the new General Valuation roll.

Below factors remains as the challenges:

- Farms are mostly contributing to the debt due to no strict credit control measures implemented,
- the municipality is not supplying electricity or water to some properties categorised as farms hence it becomes a challenge to execute credit control
- Property categories which changed from vacant residential to vacant with an increased tariff.

The second owing service is Water, showing a decrease from 16% in January to 15% in March 2025. This decline is mainly due to the installation of prepaid water meters in Ward 8. Despite the decrease in the payment rate, there is a consistent reduction in approximately 1% per month in the outstanding water debt, indicating improved debt management under prepaid installation system.

The below still remains a challenge in the municipality:

- Unmetered properties.
- Old infrastructure, faulty and damaged meters.
- Illegal connections.
- Eskom licenced areas.

The third owing service is that of Hire (flat rate) showing a decrease from 15 in January to 14% in March.

Below factors remains as challenges:

- Non-payment of the flat rate by residents.
- Residents of Botleng proper and the extensions are the contributors of the non-payments of this services.
- Eskom licensed areas contributes to more than 50% of the Municipal debt book.

ACCOUNT TYPE	Jan-26		Feb-26		Mar-26	
	TOTAL	ALLOCATIONS	TOTAL	ALLOCATIONS	TOTAL	ALLOCATIONS
RESIDENTIAL	391.90	999 212	858.68	1 014 349	1 030 083	512.50
FARMS	448.71	674 423	213.40	759 223	283.14	852 879
BUSINESS	991.35	88 288	557.59	89 726	796.61	91 066
INDIGENT	317.88	53 179	647.06	54 189	209.89	54 957
TOP 200	350.89	29 466	965.81	29 751	130.23	27 891
MINES	963.00	22 817	463.26	24 078	553.60	24 954
GOVERNMENT	691.32	11 704	376.92	11 685	483.65	12 717
OTHER	565.64	4 810	842.04	5 016	285.25	5 060
MUNICIPAL PROP	968.82	51	768.53	54	597.99	57
Grand Total	689.51	1 883 955	693.29	1 988 076	852.86	2 099 667
		100%		100%		100%

- The top owing consumer group is that of residential. These includes conventional residents, staff, councillors, pensioners. This category is accounted for 53% of the total debt in January, decreasing to 49% in March 2026. This represents a reduction in the residential category, with a decrease of 4% over the period of three months , this is due to the new indigent registrations and the installations of prepaid water meters.
- The second owing group is Farms, which increased from 36% in July to 41% in March 2026. This reflects a 5% increase over the three-month period.
- The third owing group is that of Businesses. The category accounted for 5% of the debt book during the first two months, after which 1% decrease and was recorded at 5% as of the month of March. Majority of this debt is as a result of the industrial area at Delmas extension 14 and 6
- The forth category is indigents, which remained constant at 5% for the quarter. These balances relate to indigents accounts that are still pending write off
- Top 200 are the fifth owing group, which reflect a 1% decrease in the month of February and remained constant at 1%.
- The final owing categories are Mines, Government and other accounts, which contributes only 2% of the total Debt Book and remained the same for the rest of the period.

1.3 Government Debt:

GOVERNMENT DEBT						
DEPARTMENTS	Jan-26		Feb-26		Mar-26	
	TOTAL	ALLOCATIONS	TOTAL	ALLOCATIONS	TOTAL	ALLOCATION
DEPARTMENT OF EDUCATION	634 696.87	5 48%	856 198.08	5 50%	5 844	46%
NDPW	098 681.16	3 27%	120 345.42	3 27%	3 183	25%
HEALTH (CLINICS)	223 299.20	1 10%	233 687.58	1 11%	1 305	10%
DEPARTMENT OF HEALTH AND SOC	984 783.70	8%	955 764.93	8%	979	8%
DRDLR	322 735.64	3%	350 614.48	3%	571	5%
HEALTH (HOSPITAL)	268 166.64	2%	233 484.27	2%	378	3%
PWRT	52 314.60	0%	99 678.55	1%	266	2%
SAPS	51 346.35	0%	79 427.93	1%	100	1%
SASSA	18 214.16	0%	23 601.57	0%	48	0%
AGRICULTURE	17 717.59	0%	5 748.63	0%	14	0%
DEPARTMENT OF JUSTICE	13 464.73	0%	3 199.94	0%	7 601.58	0%
DEPARTMENT OF LABOUR	8 931.47	0%	295 140.90	-3%	5 018.76	0%
Grand Total	684 251.01	11 100%	663 810.46	11 100%	12 693 956.48	100%

The verification of school billing has revealed that certain schools within the Victor Khanye Local Municipality are built on land still owned by the municipality. It is therefore recommended that the municipality consider either selling or donating this land to the Department of Public Works, enabling the municipality to bill and collect property rates for the affected ERFs.

- Schools continue to be the highest contributor under Department of Education, Botleng Secondary School.
- The NDPW owing a rental fee for FC Dumat

1.4. Collection of arrears

The municipality continues to effect credit control actions in areas accessible and is conducting credit control utilizing the Conlog prepaid system.

The table below reflects the payment rate for the months ended 31 January - March 2026:

PAYMENT RATE PER SERVICE JANUARY-MARCH 2026			
TypeOfService	Jan-26	Feb-26	Mar-26
DEPOSIT	0%	0%	0%
ADVANCE PAYMENT	0%	0%	0%
INTEREST	3%	3%	4%
VAT	70%	67%	77%
WATER	53%	51%	46%
ELECTRICITY	100%	93%	100%
RATES	10%	9%	9%
REFUSE	66%	67%	76%
SEWERAGE	71%	80%	75%
SUNDRIES VAT	0%	0%	0%
SUNDRY NON VAT	100%	100%	100%
HIRE	16%	15%	29%
OTHER SERVICES	0%	0%	0%
PAYMENT ADVANCED	100%	100%	100%
Total	23%	23%	26%

PAYMENT RATE PER WARD JANUARY-MARCH 2026			
Ward	Jan-26	Feb-26	Mar-26
WARD 1	21%	21%	79%
WARD 2	18%	18%	12%
WARD 3	1%	16%	15%
WARD 4	5%	-6%	5%
WARD 5	2%	2%	2%
WARD 6	74%	59%	91%
WARD 7	82%	79%	85%
WARD 8	39%	37%	58%
WARD 9	88%	16%	6%
PAYMENT ADVANCED	0%	0%	0%
Total	23%	23%	26%

The payment rate for the first two months remained constant at 23%, followed by an increase of 3% in March, bringing the payment rate to 26%. Although there was an increase in March, the overall decline in the payment rate is mainly influenced by Eskom's Kusile Power Station valuation.

Engagements were held with Provincial Treasury regarding the Kusile issue. A resolution was reached that the issue would be finalised by 15 January 2026, the valuation report will be accompanied by the section 78 form enabling the municipal valuer to process the dispute in terms of MPRA.

There has been notable progress between the municipality and Eskom regarding the valuation process. Kusile has been issued with a supplementary valuation on which they have been given an opportunity to object. Furthermore, a meeting was scheduled for 16 April 2026 between the municipality and Kusile to facilitate further engagement.

Another contributing factor to the decline is linked to exceptions identified through the Conlog DCU system, which indicated that over 3,200 meters had switched to tamper mode. This has negatively impacted the municipality's ability to enforce credit control through the prepaid system.

Currently, the municipality has 324 direct connections installed by its electricians in response to exceptions flagged by the Conlog DCU system. These interventions generated revenue of R 195,330.75 for a period of three months.

DIRECT CONNECTIONS COLLECTIONS	
Month	Collections
Jan-26	47 812.03
Feb-26	54 046.81
Mar-26	93 471.91
Total	195 330.75

To enhance collections, the municipality continues to enforce its Credit Control Policy by issuing notices to the community, disconnecting defaulting consumers, blocking prepaid meters, and handing over all accounts older than 90 days to appointed debt collectors.

Despite these efforts, the section still faces significant challenges in credit control and debt collection, including:

- Unmetered properties
- Faulty meters and aged infrastructure
- Areas where meter readers cannot gain access due to lack of water supply
- Blocked servitudes

Additionally, the number of online DCUs increased from 47 in January to 52 in March 2026. The system remains instrumental in addressing credit control challenges, particularly with tampered and low-voltage meters. A snapshot of the PowerNova dashboard for January and March 2026, reflecting DCU meter monitoring is provided below.

Dashboard



Dashboard



1.5. DISCONNECTIONS:

CREDIT CONTROL				
MONTH	ACTION	NUMBER OF ACCOUNTS	DEBT OVERDUE	PAYMENTS RECEIVED
Jan-26	CUT OFF	22225	2 988 027 809.77	-
	PAID	2465	565 779 054.35	25 694 870.34
Feb-26	WARNING LETTERS AND SMS'S	6308	582010457,38	
	PAID	897		1 822 079.54
Mar-26	WARNING LETTERS AND SMS'S	5819	548 560 876.70	
	PAID			570 372.92
TOTAL		37714	4 102 367 740.82	23 302 417.88

- 37 714 warning letters were issued
- 3 362 accounts were paid upon receipt of the warning letters
- R23,302 417.88 was collected during the three month period
- Power Nova remains one of the tools the Municipality can use to execute remote disconnections, particularly in areas such as Wards 1, 2, and 3, where SMS notifications were sent as part of credit control measures.

CHALLENGES WITH DISCONNECTIONS

- Tools of trade remain a challenge to execute the credit control and debt collection - Transport.
- Inability to perform verification of disconnected properties - capacity.
- Business and residential properties that remain with electricity straight connections due to non-availability of meters.
- Illegal partitioning of properties especially the Business.

Recommendation

It is recommended that the municipality consider the appointment of a company that will assist the municipality with disconnections, meter monitoring and meter audits.

1.6. INDIGENT APPLICATIONS

INDIGENT APPLICATIONS		
MONTH	APPLICATIONS	TOTAL
Jan-26	27	576 645.19
Feb-28	37	970 450.88
Mar-26	27	618 386.49
Grand Total	91	2 165 482.56

- A total of 91 applications with an outstanding amount of R 2,165,483 were processed and are ready for write-off.
- A total of R47,773,779.65 was approved by council for write-off

Challenges

- Letter of authority remains a challenge for many households
- Some applicants own properties with back rooms used for rental purposes, affecting eligibility.

- There are cases where applicants have purchased properties without updating ownership details, as well as individuals occupying a property they do not legally own.
- The Revenue Section encourages all stakeholders that are specifically responsible for the verification of the forms to priorities the verification process so that we can together reduce the back log of the forms that are still waiting to be captured on the system.

1.7. COUNCILLORS & OFFICIALS DEBT:

CLLRS' DEBT BOOK	
MONTH	TOTAL
Jan-26	228 556.55
Feb-26	227 851.13
Mar-26	247 492.96

OFFICIALS OWING 30 DAYS AND MORE	
MONTH	TOTAL
Jan-26	1 464 565.94
Feb-26	1 480 971.89
Mar-26	1 498 517.81

- The Municipality has 347 accounts listed for water and lights deduction for both Cllrs and Officials
- A total of R1,071,196 was collected from both Cllrs and officials from the month of January to March 2026.
- Human Resources Unit to provide information on all new recruits as they are hired to ensure timely updates to the water and lights deduction list.

1.8. PREPAID SALES

PREPAID SALES		
Period	V/dm & 3rd Party vendors sales	Total sales
2026/01/31	3 519 955.61	3 519 955.61
2026/02/28	3351227.24	3351227.24
2026/03/31	3707949.61	3707949.61
Grand Total		10 579 132.46

- A total of R 10,579,133 was generated from prepaid sales over a three-month period. A decrease in sales was recorded, mainly due to an increase in direct connections resulting from faulty meters.

1.9. DEBT INCENTIVE

DEBT INCENTIVE APPLICATIONS		
MONTH	APPLICATIONS	TOTAL
Jan-26	453	31 438 622.59
Feb-26	454	32 101 538.09
Mar-26	456	32 382 828.45

- The number of the Debtors under the debt incentive program has increased from 453 from the month of January to 456 in the month of March 2026, with a total of R32, 382,828.45
- The Revenue Section has since managed to write off an amount of R 1,777,786.10 at the end of June 2024 and R 6,350,839.72 as at end of June 2025 which is inclusive of small holding category customers who were previously excluded.
- The Section is encouraging the public at large to apply for this fantastic opportunity of reducing their debt with 30% for new applications and 40% for customers who have been in the programme from inception in the 2025/2026 financial year.

1.10. HANDED OVER ACCOUNTS

Below is a summary of the January – March 2026 collections by the debt collectors

Debt Collectors Collection January - March 2026				
Collectors Name	Number of Acc	January Collection	February Collection	March Collection
REVCO	2816	381 945.91	1 357 294.83	553 328.51
IBC FORENSIC	3516	1 356 726.51	925 173.55	2 381 023.71
BTF GLOBAL	3628	20 764.89	673 579.05	247 935.04

1. HUMAN RESOURCE IMPLICATIONS

2. LEGAL IMPLICATIONS

Failure to implement credit control and debt collection policy will be in contravention of S64 of Municipal Finance Management, i.e. monies owed to municipality are not collected promptly.

3. FINANCIAL IMPLICATIONS

Increase in the Debt Book

Low collection rate which will hamper service delivery result in compliance with Circular 124 conditions by NT.

4. RISK IMPLICATIONS

Cash Flow Problems: Without proper credit control, there is a higher likelihood of late payments or non-payment from customers. This can lead to cash flow shortages, which can hinder the business's ability to pay its own bills, invest in new opportunities, or meet day-to-day operational expenses.

Increased Bad Debts: Ineffective credit control can result in extending credit to customers who are unable to pay. This increases the risk of bad debts, which are costly to the business as they represent lost revenue and may require additional time and resources to recover.

Damage to Customer Relationships: Inaccurate billing can lead to customer dissatisfaction. Errors in invoices, such as overcharging or undercharging, can erode trust and damage relationships with customers, potentially leading to loss of business.

Regulatory and Compliance Issues: Failing to adhere to credit control policies and accurate billing practices can lead to regulatory breaches. This could result in penalties, fines, or legal actions, depending on the industry and local regulations.

Financial Reporting Errors: Inaccurate billing can lead to errors in financial reporting. This can affect the accuracy of financial statements, leading to poor decision-making by management and potentially misleading investors and stakeholders.

Operational Inefficiencies: Poor credit control and billing practices can create additional workload for staff, who may need to spend extra time rectifying errors, chasing payments, and managing disputes. This can reduce overall productivity and increase operational costs.

Loss of Competitive Advantage: Businesses that fail to manage credit effectively may find themselves at a competitive disadvantage. Efficient credit control and accurate billing can be a differentiator in the market, and businesses that lag in these areas may lose customers to competitors who offer better financial management and transparency.

Increased Collection Costs: Ineffective credit control may necessitate the use of collection agencies or legal action to recover outstanding debts. This can increase costs and strain resources.

Risk of Fraud: Without strict credit control and billing accuracy, there is an increased risk of fraud. Fraudulent activities, such as issuing fake invoices or manipulating customer accounts, can go unnoticed and lead to significant financial losses.

Reputational Damage: Both inaccurate billing and poor credit control can damage a company's reputation. Customers may share negative experiences publicly, which can harm the company's brand and lead to a loss of trust among existing and potential customers.

5. STRATEGIC IMPLICATIONS

6. OTHER IMPLICATIONS

N/A

Circular 124, for debt relief program - Eskom reconciliation as at 31 March 2025/26.

Kindly note the payments are made on an accrual basis.

ESKOM MAIN ACCOUNT

Segment in ledger =====>			Bulk Purchases	VAT	Interest expense			
MONTH	INVOICE NO	BALANCE BROUGHT FORWARD	TOTAL EXC	VAT	INTEREST	TOTAL INC	AMOUNT PAID	BALANCE + INVOICE PAID
Jul-25	564731882911	R 919 521 846.63	R 16 793 909.51	R 2 519 086.43	R 3 150 642.01	R 22 463 637.95	R -	R 941 985 484.58
Aug-25	564495502814	R 941 985 484.58	R 16 040 229.23	R 2 406 034.38	R 3 222 585.81	R 21 668 849.42	R 1 500 000.00	R 962 154 334.00
Sept-25	564769460259	R 962 154 334.00	R 10 529 243.80	R 1 579 386.57	R 3 738 308.67	R 15 846 939.04	R 9 500 000.00	R 968 501 273.04
Oct-25	564542747192	R 968 501 273.04	R 9 265 125.12	R 1 389 768.77	R 4 539 163.61	R 15 194 057.50	R 4 500 000.00	R 979 195 330.54
Nov-25	564014852493	R 979 195 330.54	R 8 059 499.90	R 1 208 924.99	R 3 597 262.60	R 12 865 687.49	R 2 000 000.00	R 990 061 018.03
Dec-25	564251375141	R 990 061 018.03	R 8 144 139.48	R 1 221 629.92	R 4 290 905.33	R 13 656 734.73	R 7 500 000.00	R 996 217 752.76
Jan-26	564271715756	R 996 217 752.76	R 8 267 748.56	R 1 240 162.28	R 3 868 306.75	R 13 376 217.59	R 2 000 000.00	R 1 007 593 970.35
Feb-26	564671385939	R 1 007 593 970.35	R 8 819 286.56	R 1 322 892.98	R 4 933 397.92	R 15 075 577.46	R 1 500 000.00	R 1 021 169 547.81
Mar-26	564071782489	R 1 021 169 547.81	R 8 666 909.03	R 1 300 036.35	R 3 831 462.49	R 13 798 407.87	R 3 000 000.00	R 1 031 967 955.68
Apr-26								
May-26								
Jun-26								
			R 94 586 151.19	R 14 187 922.67	R 35 172 035.19			

ESKOM SUB ACCOUNT

Segment in ledger =====>			Bulk Purchases	VAT	Interest expense			
MONTH	INVOICE NO	BALANCE BROUGHT FORWARD	TOTAL EXC	VAT	INTEREST	TOTAL INC	AMOUNT PAID	BALANCE + INVOICE PAID = TOTAL DUE
Jul-25	889781822327	R 134 765 327.14	R 15 617 398.99	R 2 342 609.85	R 1 183 867.66	R 19 143 876.50	R -	R 153 909 203.64
Aug-25	889497857686	R 153 909 203.64	R 14 253 554.22	R 2 138 033.13	R 1 252 752.71	R 17 644 340.06	R 2 000 000.00	R 169 553 543.70
Sept-25	889378192530	R 169 553 543.70	R 8 987 025.14	R 1 348 053.77	R 1 464 013.65	R 11 799 092.56	R 9 500 000.00	R 171 852 636.26
Oct-25	889763053264	R 171 852 636.26	R 7 897 298.06	R 1 184 594.71	R 2 018 272.63	R 11 100 165.40	R 4 500 000.00	R 178 452 801.66
Nov-25	889280628311	R 178 452 801.66	R 7 788 570.39	R 1 168 285.56	R 1 464 878.67	R 10 421 734.62	R 1 000 000.00	R 187 874 536.28
Dec-25	889250184604	R 187 874 536.28	R 9 664 108.25	R 1 449 616.24	R 1 872 550.92	R 12 986 275.41	R 7 000 000.00	R 193 860 811.69
Jan-26	889204764776	R 193 860 811.69	R 8 984 617.64	R 1 347 692.65	R 1 633 224.98	R 11 965 535.27	R 2 000 000.00	R 203 826 346.96
Feb-26	889929345408	R 203 826 346.96	R 9 665 296.11	R 1 449 794.42	R 2 350 713.62	R 13 465 804.15	R 1 500 000.00	R 215 792 151.11
Mar-26	889570809146	R 215 792 151.11	R 9 230 991.14	R 1 384 648.67	R 1 428 237.60	R 12 043 877.41	R 3 000 000.00	R 224 836 028.52
Apr-26								
May-26								
Jun-26								
			92 088 859.94	13 813 329.00	14 668 512.44			

ENVISAGED IMPACT

The reason for reporting is to enhance sound financial management and promote transparency and accountability of officials and councillors and if the grey areas are not addressed, they could lead to serious implication on service delivery to the community of Victor Khanye Local Municipality.

STAKEHOLDERS CONSULTED

This report is used by National Treasury, Provincial Treasury, Cogta and the general public to assess the municipality's financial viability, grants allocations and the expenditure to date.

LEGAL IMPLICATIONS

The inability to pay creditors on time will lead to legal implication for the municipality.

FINANCIAL IMPLICATIONS

The National Treasury may stop the transfer of the equitable share to municipalities that fail to meet their financial obligations, particularly regarding Eskom and Rand Water debts.

It is important for the municipality to avoid incurring any additional costs, which could result in unauthorised, irregular, fruitless and wasteful expenditure.

OTHER IMPLICATIONS

All deviations report should follow the correct process and clear detail report should be prepared as the Auditor General may declare the deviations as irregular expenditure.

Choose name from list - Table C1 Monthly Budget Statement Summary - M09 - Quarter 3

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 3	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	108 696	128 920	138 920	295 729	861 309	100 690	760 619	756%	138 920
Services charges	316 713	355 029	362 032	76 336	236 116	269 073	(32 957)	-12%	362 032
Investment revenue	1 265	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	153 285	161 007	161 007	148 974	157 136	120 755	36 380	30%	161 007
Other own revenue	171 201	303 539	311 642	46 744	134 885	230 855	(96 170)	-42%	311 642
Total Revenue (excluding capital transfers and contributions)	750 159	948 495	973 500	587 783	1 389 248	721 373	667 873	93%	973 500
Employee costs	207 328	211 891	219 640	54 064	161 206	161 948	(742)	0%	219 640
Remuneration of Councilors	9 790	12 146	12 148	2 712	7 636	9 109	(1 474)	-18%	12 148
Depreciation and amortisation	80 323	63 279	66 691	14 783	29 350	41 284	(11 934)	-29%	66 691
Interest	97 555	50 000	60 000	41 492	89 117	41 500	47 617	115%	60 000
Inventory consumed and bulk purchases	297 491	352 797	344 092	83 481	251 440	262 316	(10 876)	-4%	344 092
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	434 360	314 105	309 610	41 714	125 131	231 531	(106 400)	-46%	309 610
Total Expenditure	1 106 838	994 017	1 002 079	238 247	683 880	747 688	(83 808)	-11%	1 002 079
Surplus/(Deficit)	(356 679)	(46 522)	(28 579)	329 536	725 366	(26 314)	751 681	-2657%	(28 579)
Transfers and subsidies - capital (monetary allocations)	44 337	46 618	46 618	-	-	34 964	(34 964)	-100%	46 618
Transfers and subsidies - capital (in-kind) contributions	18 063	30 500	30 500	-	-	22 875	(22 875)	-100%	30 500
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(298 279)	31 596	48 539	329 536	725 366	31 524	693 842	2201%	48 539
Capital expenditure & funds sources									
Capital expenditure	86 343	65 245	64 495	8 772	25 002	48 634	(23 631)	-49%	64 495
Capital transfers recognised	77 304	46 645	46 645	4 818	16 882	34 984	(18 101)	-52%	46 645
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	7 924	18 600	17 850	3 452	7 618	13 650	(6 032)	-44%	17 850
Total sources of capital funds	85 229	65 245	64 495	8 270	24 500	48 634	(24 134)	-50%	64 495
Financial position									
Total current assets	577 142	202 468	773 722	-	1 557 935	-	-	-	773 722
Total non current assets	1 056 892	1 030 231	1 060 872	-	1 052 545	-	-	-	1 060 872
Total current liabilities	2 044 004	932	2 192 775	-	2 294 656	-	-	-	2 192 775
Total non current liabilities	61 841	686 528	64 841	-	61 841	-	-	-	64 841
Community wealth/Equity	(471 639)	545 239	(423 022)	-	253 984	-	-	-	(423 022)
Cash flows									
Net cash from (used) operating	93 120	119 775	78 486	138 810	162 707	73 315	(89 391)	-122%	78 486
Net cash from (used) investing	84 037	(65 245)	(64 495)	(7 851)	(30 417)	(48 634)	(18 216)	37%	(64 495)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	160 882	76 659	26 352	-	144 851	37 043	(107 808)	-290%	26 352
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	-	-	-	-	-	-	-	-	-
Creditors Age Analysis									
Total Creditors	39 672	26 274	53 264	4 098	34 652	21 912	109	1 669 486	1 849 468

Choose name from list - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M09 - Quarter 3

Description	Ref	2024/25		Budget Year 2025/26						
		Audited	Original	Adjusted	Quarter 3	YearTD actual	YearTD	YTD	YTD %	Full Year
Revenue - Functional										
Governance and administration		388 614	311 972	328 275	422 561	1 101 132	240 500	860 631	358%	328 275
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		388 614	311 972	328 275	422 561	1 101 132	240 500	860 631	358%	328 275
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		13 828	7 760	7 760	2 482	5 130	5 820	(690)	-12%	7 760
Community and social services		2 208	2 608	2 608	825	1 128	1 956	(828)	-42%	2 608
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		7 471	3 511	3 511	1 141	2 370	2 633	(263)	-10%	3 511
Housing		4 150	1 641	1 641	515	1 632	1 231	401	33%	1 641
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		(2 290)	4 356	6 056	62	62	3 947	(3 884)	-98%	6 056
Planning and development		-	4 356	6 056	62	62	3 947	(3 884)	-98%	6 056
Road transport		(2 290)	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		410 407	701 525	708 528	142 678	282 922	528 945	(246 023)	-47%	708 528
Energy sources		174 972	329 394	333 397	45 671	130 895	248 647	(117 762)	-47%	333 397
Water management		117 454	208 373	208 373	15 456	53 451	166 280	(102 829)	-56%	208 373
Waste water management		29 237	113 471	113 471	3 190	9 786	85 103	(75 318)	-89%	113 471
Waste management		88 744	50 286	53 286	78 351	88 801	38 915	49 887	128%	53 286
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	810 559	1 025 613	1 050 618	567 763	1 389 246	779 212	610 034	78%	1 050 618
Expenditure - Functional										
Governance and administration		508 764	347 625	360 188	73 752	226 846	284 169	(37 323)	-14%	360 188
Executive and council		47 972	45 242	55 715	4 863	29 293	38 143	(8 851)	-23%	55 715
Finance and administration		460 792	302 383	304 472	68 869	197 553	226 026	(28 472)	-13%	304 472
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		77 188	103 623	102 636	21 333	67 095	77 232	(10 137)	-13%	102 636
Community and social services		30 916	34 782	38 007	9 369	27 854	27 380	474	2%	38 007
Sport and recreation		4 019	2 493	3 989	801	2 077	2 468	(391)	-16%	3 989
Public safety		40 486	64 699	58 780	10 733	35 898	46 069	(10 181)	-22%	58 780
Housing		1 766	1 638	1 879	430	1 266	1 325	(59)	-4%	1 879
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		44 710	58 810	59 380	10 743	28 512	47 160	(20 649)	-44%	59 380
Planning and development		6 151	19 956	18 555	678	2 297	14 632	(12 334)	-84%	18 555
Road transport		41 150	47 098	39 565	10 026	23 852	31 409	(7 556)	-24%	39 565
Environmental protection		(2 691)	1 760	1 260	39	362	1 120	(758)	-68%	1 260
Trading services		478 178	473 960	479 875	132 419	343 427	359 126	(15 699)	-4%	479 875
Energy sources		310 681	275 709	292 338	94 725	235 781	212 998	22 783	11%	292 338
Water management		117 349	130 169	121 341	23 847	69 828	94 245	(24 417)	-26%	121 341
Waste water management		42 458	63 845	62 398	12 804	33 399	41 380	(7 981)	-19%	62 398
Waste management		5 690	14 237	13 801	1 043	4 419	10 503	(6 084)	-58%	13 801
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	1 108 838	994 917	1 002 079	238 247	663 880	747 688	(83 808)	-11%	1 002 079
Surplus/ (Deficit) for the year		(298 279)	31 696	48 539	329 516	725 366	31 524	693 842	2201%	48 539

Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 - Quarter 3

Vote Description	Ref	Budget Year 2025/26								
		2024/25 Approved Outcomes	Original Budget	Adjusted Budget	Quarter 3	YearTD actual	YearTD Budget	YTD variance	YTD variance %	YTD Total Forecast
R thousands										
Revenue by Vote										
Vote 1 - Office of the Municipal Manager	1	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		388 614	311 972	326 275	422 581	1 101 132	240 500	860 631	357.9%	328 275
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		2 208	2 608	2 608	825	1 128	1 956	(828)	-42.3%	2 608
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		7 471	3 511	3 511	1 141	2 370	2 633	(263)	-10.0%	3 511
Vote 7 - Housing		4 150	1 641	1 641	515	1 632	1 231	401	32.6%	1 641
Vote 8 - Health Services		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	4 358	5 056	62	62	3 947	(3 884)	-88.4%	6 056
Vote 10 - Roads Transport		(2 290)	-	-	-	-	-	-	-	-
Vote 11 - Electricity Services		174 972	329 394	333 397	45 671	130 885	248 647	(117 762)	-47.4%	333 397
Vote 12 - Water Services		117 454	208 373	208 373	15 466	53 451	158 280	(102 829)	-66.8%	208 373
Vote 13 - Waste Water Management		29 237	113 471	113 471	3 190	9 768	85 103	(76 316)	-88.5%	113 471
Vote 14 - Solid Waste Management		88 744	50 286	53 286	78 351	88 801	38 915	49 887	128.2%	53 286
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	810 559	1 025 813	1 050 618	587 783	1 389 246	778 212	610 034	78.3%	1 050 618
Expenditure by Vote										
Vote 1 - Office of the Municipal Manager	1	58 529	56 115	62 334	7 904	39 694	58 097	(16 402)	-29.2%	62 334
Vote 2 - Budget and Treasury		430 662	270 388	267 329	59 723	167 990	195 970	(27 980)	-14.3%	267 329
Vote 3 - Corporate Services		6 273	186	13 856	3 353	10 273	5 608	4 665	83.2%	13 856
Vote 4 - Community and Social Services		30 918	34 792	38 007	9 369	27 854	27 380	474	1.7%	38 007
Vote 5 - Sport and Recreation		4 019	2 493	3 989	601	2 077	2 468	(391)	-15.8%	3 989
Vote 6 - Public Safety		40 485	64 699	58 760	10 733	35 898	46 059	(10 161)	-22.1%	58 760
Vote 7 - Housing		1 766	1 638	1 879	430	1 296	1 325	(59)	-4.5%	1 879
Vote 8 - Health Services		(2 581)	1 760	1 280	39	362	1 120	(758)	-67.7%	1 280
Vote 9 - Planning and Development		4 113	14 522	7 580	108	479	8 375	(7 895)	-94.3%	7 580
Vote 10 - Roads Transport		50 128	62 244	44 902	10 677	25 768	36 846	(13 077)	-33.7%	44 902
Vote 11 - Electricity Services		310 681	275 709	292 336	94 725	235 781	212 998	22 783	10.7%	292 336
Vote 12 - Water Services		117 349	130 169	121 341	23 847	69 828	94 245	(24 417)	-25.9%	121 341
Vote 13 - Waste Water Management		42 458	63 845	52 398	12 804	33 399	41 380	(7 981)	-19.3%	52 398
Vote 14 - Solid Waste Management		5 690	14 237	13 801	1 043	4 419	10 503	(6 084)	-57.9%	13 801
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 101 479	992 837	989 773	235 557	655 090	742 373	(87 283)	-11.8%	989 773
Surplus/ (Deficit) for the year	2	(290 919)	32 716	60 845	332 226	734 156	36 839	697 318	1892.9%	60 845

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 - Quarter 3

Description	Ref	Budget Year 2025/26								
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	Quarter 3	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		213 908	246 628	250 631	53 903	161 078	186 572	(25 495)	-14%	250 631
Service charges - Water		72 969	78 691	78 691	15 466	53 451	59 018	(5 568)	-9%	78 691
Service charges - Waste Water Management		13 174	14 392	14 392	3 190	9 786	10 794	(1 008)	-9%	14 392
Service charges - Waste management		15 661	15 318	18 318	3 777	11 802	12 688	(886)	-7%	18 318
Sale of Goods and Rendering of Services		2 228	7 231	9 086	1 756	2 836	6 165	(3 329)	-54%	9 086
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		68 849	165 255	165 255	219	440	123 941	(123 501)	-100%	165 255
Interest from Current and Non Current Assets		1 265	-	-	-	-	-	-	-	-
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		1 860	1 641	1 641	453	1 570	1 231	339	28%	1 641
Licence and permits		-	-	-	-	-	-	-	-	-
Special Rating Levies		-	-	-	-	-	-	-	-	-
Operational Revenue		1 533	806	431	58	590	455	136	30%	431
Non-Exchange Revenue										
Property rates		108 696	128 920	138 920	295 729	861 309	100 690	760 619	755%	138 920
Surcharges and Taxes		69 951	73 281	73 281	16 160	49 798	54 961	(5 163)	-9%	73 281
Fines, penalties and forfeits		6 801	2 235	2 235	424	1 174	1 676	(503)	-30%	2 235
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		153 285	161 007	161 007	148 974	157 136	120 755	36 380	30%	161 007
Interest		13 718	53 090	59 612	27 673	78 277	42 426	35 851	85%	59 612
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		6 262	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		750 159	948 495	973 500	567 783	1 389 246	721 373	667 873	93%	973 500
Expenditure By Type										
Employee related costs		207 328	211 691	219 640	54 064	161 206	161 948	(742)	0%	219 640
Remuneration of councillors		9 790	12 146	12 146	2 712	7 636	9 109	(1 474)	-16%	12 146
Bulk purchases - electricity		227 563	228 174	226 174	71 443	187 869	170 330	17 539	10%	226 174
Inventory consumed		69 928	124 623	117 918	12 038	63 572	91 985	(28 414)	-31%	117 918
Debt impairment		149 695	89 408	61 908	-	-	54 556	(54 556)	-100%	61 908
Depreciation and amortisation		60 323	53 279	56 591	14 783	29 350	41 284	(11 934)	-29%	56 591
Interest		97 555	50 000	60 000	41 492	89 117	41 500	47 617	115%	60 000
Contracted services		110 395	128 878	144 932	30 910	81 820	100 830	(19 010)	-19%	144 932
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		73 709	31 594	31 383	-	2 795	23 611	(20 816)	-88%	31 383
Operational costs		51 150	64 224	71 387	10 804	40 516	52 533	(12 017)	-23%	71 387
Losses on Disposal of Assets		9 065	-	-	-	-	-	-	-	-
Other Losses		40 336	-	-	-	-	-	-	-	-
Total Expenditure		1 106 838	994 017	1 002 079	238 247	663 880	747 688	(83 808)	-11%	1 002 079
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations)		44 337	46 618	46 618	-	-	34 964	(34 964)	-100%	46 618
Transfers and subsidies - capital (in-kind)		16 063	30 500	30 500	-	-	22 875	(22 875)	-100%	30 500
Surplus/(Deficit) after capital transfers & contributions		(296 279)	31 596	48 539	329 536	725 366	31 524			48 539
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(296 279)	31 596	48 539	329 536	725 366	31 524			48 539
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(296 279)	31 596	48 539	329 536	725 366	31 524			48 539
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(296 279)	31 596	48 539	329 536	725 366	31 524			48 539

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 - Quarter 3

Vote Description	Ref	2024/25			Budget Year 2025/26					
		Planned Expenditure	Original Budget	Revised Budget	Quarter 3	YearTD actual	YearTD Budget	YTD Variance	YTD %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health Services		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 10 - Roads Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Electricity Services		-	-	-	-	-	-	-	-	-
Vote 12 - Water Services		-	-	-	-	-	-	-	-	-
Vote 13 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 14 - Solid Waste Management		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		3 627	3 600	2 850	(16)	1 089	2 400	(1 311)	-55%	2 850
Vote 2 - Budget and Treasury		40 449	950	950	2 521	2 559	713	1 846	259%	950
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		(393)	200	200	555	555	150	405	270%	200
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	300	300	-	-	225	(225)	-100%	300
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health Services		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		29	550	550	-	30	412	(383)	-93%	550
Vote 10 - Roads Transport		22 212	23 700	23 700	138	11 420	17 775	(6 355)	-36%	23 700
Vote 11 - Electricity Services		38 198	5 000	5 000	1 831	1 831	3 750	(1 919)	-51%	5 000
Vote 12 - Water Services		(20 390)	20 500	20 500	277	1 199	15 375	(14 176)	-92%	20 500
Vote 13 - Waste Water Management		528	6 445	6 445	2 122	3 642	4 834	(1 192)	-25%	6 445
Vote 14 - Solid Waste Management		2 083	4 000	4 000	1 344	2 677	3 000	(323)	-11%	4 000
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	86 343	65 245	64 495	8 772	25 002	48 634	(23 631)	-49%	64 495
Total Capital Expenditure		86 343	65 245	64 495	8 772	25 002	48 634	(23 631)	-49%	64 495
Capital Expenditure - Functional Classification										
Governance and administration		50 310	10 550	9 800	2 739	6 875	7 613	(738)	-10%	9 800
Executive and council		185	350	350	-	-	263	(263)	-100%	350
Finance and administration		50 125	10 200	9 450	2 739	6 875	7 350	(475)	-5%	9 450
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		(393)	500	500	555	555	375	180	48%	500
Community and social services		(393)	200	200	555	555	150	405	270%	200
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	300	300	-	-	225	(225)	-100%	300
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		16 007	18 250	18 250	(96)	8 223	13 687	(5 465)	-40%	18 250
Planning and development		29	550	550	-	30	412	(383)	-93%	550
Road transport		15 978	17 700	17 700	(96)	8 193	13 275	(5 082)	-38%	17 700
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		20 420	35 945	35 945	5 574	9 349	26 959	(17 610)	-65%	35 945
Energy sources		38 198	5 000	5 000	1 831	1 831	3 750	(1 919)	-51%	5 000
Water management		(20 390)	20 500	20 500	277	1 199	15 375	(14 176)	-92%	20 500
Waste water management		528	6 445	6 445	2 122	3 642	4 834	(1 192)	-25%	6 445
Waste management		2 083	4 000	4 000	1 344	2 677	3 000	(323)	-11%	4 000
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	86 343	65 245	64 495	8 772	25 002	48 634	(23 631)	-49%	64 495
Funded by:										
National Government		77 304	46 645	46 645	4 818	16 882	34 984	(18 101)	-52%	46 645
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		77 304	46 645	46 645	4 818	16 882	34 984	(18 101)	-52%	46 645
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		7 924	18 600	17 850	3 452	7 618	13 650	(6 032)	-44%	17 850
Total Capital Funding		85 229	65 245	64 495	8 270	24 500	48 634	(24 134)	-50%	64 495

Choose name from list - Table C6 Monthly Budget Statement - Financial Position - M09 - Quarter 3

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		12 361	76 659	(13 186)	29 279	(13 186)
Trade and other receivables from exchange transactions		59 341	(7 735)	(3 511)	203 761	(3 511)
Receivables from non-exchange transactions		16 333	146 472	107 936	797 781	107 936
Current portion of non-current receivables		-	-	-	-	-
Inventory		2 418	(35 945)	128 414	2 368	128 414
VAT		486 689	23 017	554 069	525 762	554 069
Other current assets		0	-	0	(1 016)	0
Total current assets		577 142	202 468	773 722	1 557 935	773 722
Non current assets						
Investments		-	-	(4 173)	-	(4 173)
Investment property		97 136	66 580	95 874	96 508	95 874
Property, plant and equipment		958 618	964 328	969 940	954 899	969 940
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		1 075	1 075	1 075	1 075	1 075
Intangible assets		64	(1 752)	(1 843)	64	(1 843)
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
Total non current assets		1 056 892	1 030 231	1 060 872	1 052 545	1 060 872
TOTAL ASSETS		1 634 034	1 232 699	1 834 594	2 610 480	1 834 594
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		4 692	-	4 692	4 692	4 692
Consumer deposits		1 710	(8 865)	1 710	1 848	1 710
Trade and other payables from exchange transactions		1 681 168	113 075	1 802 027	1 859 985	1 802 027
Trade and other payables from non-exchange transactions		2 911	(117 122)	(27 589)	31 034	(27 589)
Provision		8 701	11 546	8 701	8 701	8 701
VAT		344 822	2 298	403 235	388 397	403 235
Other current liabilities		-	-	-	-	-
Total current liabilities		2 044 004	932	2 192 775	2 294 656	2 192 775
Non current liabilities						
Financial liabilities		(3 419)	7 528	(3 419)	(3 419)	(3 419)
Provision		21 276	679 000	24 276	21 276	24 276
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		43 984	-	43 984	43 984	43 984
Total non current liabilities		61 841	686 528	64 841	61 841	64 841
TOTAL LIABILITIES		2 105 845	687 460	2 257 616	2 356 497	2 257 616
NET ASSETS	2	(471 810)	545 239	(423 022)	253 984	(423 022)
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		(471 639)	545 239	(423 022)	253 984	(423 022)
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	(471 639)	545 239	(423 022)	253 984	(423 022)

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M09 - Quarter 3

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 3	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		108 019	236 078	230 652	29 793	92 903	174 888	(81 985)	-47%	230 652
Service charges		308 925	450 169	314 129	75 539	231 675	283 211	(51 535)	-18%	314 129
Other revenue		58 809	23 809	79 316	75 557	101 620	40 060	61 560	154%	79 316
Transfers and Subsidies - Operational		33 912	161 007	161 007	78 478	83 909	120 755	(36 846)	-31%	161 007
Transfers and Subsidies - Capital		18 911	46 618	46 618	1	1	34 964	(34 963)	-100%	46 618
Interest		1 265	-	224 867	-	-	89 947	(89 947)	-100%	224 867
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(436 721)	(797 906)	(978 103)	(120 558)	(347 402)	(670 509)	323 106	-48%	(978 103)
Interest		-	-	-	-	-	-	-		-
Transfers and Subsidies		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		93 120	119 775	78 486	138 810	162 707	73 315	(89 391)	-122%	78 486
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		64 037	(65 245)	(64 495)	(7 851)	(30 417)	(48 634)	18 216	-37%	(64 495)
NET CASH FROM/(USED) INVESTING ACTIVITIES		64 037	(65 245)	(64 495)	(7 851)	(30 417)	(48 634)	(18 216)	37%	(64 495)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-		-
NET INCREASE/ (DECREASE) IN CASH HELD		157 156	54 530	13 991	130 959	132 289	24 682			13 991
Cash/cash equivalents at beginning:		3 725	22 130	12 361		12 361	12 361			12 361
Cash/cash equivalents at month/year end:		160 882	76 659	26 352		144 651	37 043			26 352

Choose name from list - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M09 - Quarter 3

Description	Ref	Budget Year 2025/26								
		2024/25 Audited Outcome	Original Budget	Adjusted Budget	Quarter 3	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		48 524	28 728	39 574	20 061	35 967	23 784	(12 182)	-51.2%	39 574
Roads Infrastructure		2 399	4 000	3 000	729	1 461	2 600	1 139	43.8%	3 000
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		2 399	4 000	3 000	729	1 461	2 600	(1 139)	(0)	3 000
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		37 487	6 000	24 162	17 207	29 538	11 240	(18 299)	-162.8%	24 162
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		37 487	6 000	24 162	17 207	29 538	11 240	18 299	0	24 162
Water Supply Infrastructure		2 096	2 000	1 000	230	513	500	(13)	-2.5%	1 000
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		2 096	2 000	1 000	230	513	500	13	0	1 000
Sanitation Infrastructure		5 298	2 000	2 500	695	1 711	1 700	(11)	-0.6%	2 500
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		5 298	2 000	2 500	695	1 711	1 700	11	0	2 500
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		1 093	3 778	712	(233)	251	407	156	38.4%	712
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		1 093	3 778	712	(233)	251	407	(156)	(0)	712
Information and Communication Infrastructure		150	10 950	8 200	1 433	2 493	7 338	4 844	66.0%	8 200
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-

Choose name from list - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M09 - Quarter 3

Description	Ref	2024/25	Budget Year 2025/26					YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 3	YearTD actual	YearTD budget			
R thousands	1									
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		150	10 950	8 200	1 433	2 493	7 338	(4 844)	(0)	8 200
Community Assets		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Ports		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Municipal Offices		-	-	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-

Choose name from list - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M09 - Quarter 3

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 3	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	48 524	28 728	39 574	20 061	35 967	23 784	(12 182)	-51.2%	39 574

Choose name from list - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M09 - Quarter 3

Month	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 3	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	4 364	5 437	5 437	787	787	5 437	4 650	85.5%	1%
August	8 730	5 437	5 437	(264)		10 674	-		
September	1 762	5 437	5 437	5 360	#VALUE!	16 311	#VALUE!	#VALUE!	#VALUE!
October	4 992	5 437	5 437	7 072	#VALUE!	21 748	#VALUE!	#VALUE!	#VALUE!
November	2 807	5 437	5 437	1 547	#VALUE!	27 185	#VALUE!	#VALUE!	#VALUE!
December	5 679	5 437	5 437	1 729	#VALUE!	32 623	#VALUE!	#VALUE!	#VALUE!
January	1 356	5 437	5 437	2 516	#VALUE!	38 060	#VALUE!	#VALUE!	#VALUE!
February	3 230	5 437	5 287	2 898	#VALUE!	43 347	#VALUE!	#VALUE!	#VALUE!
March	5 859	5 437	5 287	3 359	#VALUE!	48 634	#VALUE!	#VALUE!	#VALUE!
April	1 587	5 437	5 287	-		53 921	-		
May	5 874	5 437	5 287	-		59 208	-		
June	40 102	5 437	5 287	-		64 495	-		
Total Capital expenditure	86 343	65 245	64 495	25 002					

Choose name from list - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M09 - Quarter 3

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 3	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		48 524	28 728	39 574	20 061	35 967	23 784	(12 182)	-51.2%	39 574
Roads Infrastructure		2 399	4 000	3 000	729	1 461	2 600	1 139	43.8%	3 000
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		2 399	4 000	3 000	729	1 461	2 600	(1 139)	(0)	3 000
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		37 487	6 000	24 162	17 207	29 538	11 240	(18 299)	-162.8%	24 162
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		37 487	6 000	24 162	17 207	29 538	11 240	18 299	0	24 162
Water Supply Infrastructure		2 096	2 000	1 000	230	513	500	(13)	-2.5%	1 000
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		2 096	2 000	1 000	230	513	500	13	0	1 000
Sanitation Infrastructure		5 298	2 000	2 500	695	1 711	1 700	(11)	-0.6%	2 500
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		5 298	2 000	2 500	695	1 711	1 700	11	0	2 500
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		1 093	3 778	712	(233)	251	407	156	38.4%	712
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		1 093	3 778	712	(233)	251	407	(156)	(0)	712
Information and Communication Infrastructure		150	10 950	8 200	1 433	2 493	7 338	4 844	66.0%	8 200
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-

Choose name from list - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M09 - Quarter 3

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 3	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		150	10 950	8 200	1 433	2 493	7 338	(4 844)	(0)	8 200
Community Assets		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Ports		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Municipal Offices		-	-	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-

Choose name from list - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M09 - Quarter 3

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 3	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<u>Licences and Rights</u>		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<u>Computer Equipment</u>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
<u>Furniture and Office Equipment</u>		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
<u>Machinery and Equipment</u>		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
<u>Transport Assets</u>		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
<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		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	48 524	28 728	39 574	20 061	35 967	23 784	(12 182)	-51.2%	39 574

7. ATTACHMENTS

8. RECOMMENDATIONS OF THE MUNICIPAL MANAGER (THAT):

- That the Municipal Council consider the report in terms of Section 52D of MFMA.
- That the Municipal Council consider that Table c1 – Table C7 is obtained in terms guided by the National Treasury.
- That the Municipality consider that both Eskom and Rand Water debt as at 31 March 2025_26 amounts to **R 1.2 billion** and **R510 million** respectively;
- That the Municipal Council consider that the debt book amounts to **R2 billion**;
- That the Municipal Council consider the payments made in the Third quarter to Eskom and Rand Water amounts to **R13 million** and **R21 million** respectively;
- That non-compliance letter from Provincial treasury and the self-assessment for March be noted;
- That the government debt be noted;
- The council should consider the debt relief circular 124 for the March 2025/26.
- The indigent applications in ESKOM licensed areas be done using the indigent management system
- The municipal indigent and provision for doubtful debts policy reflect the inclusion of the use of the indigent management system use for the inclusion of customers in the municipal indigent register.
- A lease register be developed between Finance and corporate services
- Municipality to consider donating or selling land to Public Works in which Schools and the Botleng Clinic are built for generating revenue through the assessment rates.
- Physical meter audit on all properties
- Installation of prepaid water meters in all ESKOM licensed areas.


T.P. Mahlangu

CHIEF FINANCIAL OFFICER