



MANGAUNG

AT THE HEART OF IT ALL

MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK

2025/26 - 2027/28

Council Resolution No 103.2 - 27/05/2025



**STATE OF CITY'S ADDRESS /
APPROVAL OF BUDGET, BUDGET
RELATED POLICIES, TARIFFS & IDP FOR
THE FINANCIAL YEAR 2025/2026 AND
MTREF 2025/2026 - 2027/2028 BY THE
EXECUTIVE MAYOR,
CLLR. GREGORY NTHATISI**

Free State Premier, Honourable Maqueen Letsoha-Mathae
Members of the Provincial Executive Council
Speaker, Cllr. Dr. Lawrence Mathae
Chief Whip, Cllr Vumile Nikelo
Deputy Executive Mayor, Cllr. Lulama Titi-Odili
Chief Whip of Council, Cllr. Vumelo Nikelo
Members of Mayoral Committee
Fellow councillors
Business leaders
Ward Committee members
Distinguished Guests
Members of the Media
The people of Mangaung
Ladies and Gentlemen



INTRODUCTION

It is in times like these when the quest for a national dialogue in search of a suitable pathway to a better future gains momentum, that the whole country yearns for the resurgence of Mangaung not only as the provincial capital, nor the economic hub - but in the main, as the only metro in our province.

For this noble purpose of national dialogue, we declare our ancient doors open to hosting the rainbow nation!

This great city is not the sole metropole of the province by default. We became a beacon of hope for liberation during state repression, and equally, a model of good governance in the democratic era.

Thus, over the years, our greatest glory has always been how we managed to unite the people in advancing the cause of a better life for all.

And this is a generational legacy upon which a better future for the people of Mangaung must be built.

Consumed by this legacy, two years ago, since 30 March 2023, when I accepted the scepter of the first citizenship, I thought it would be easy since it was a 'local' deployment, expecting to enjoy much time with my family after work.

Little did I know that the incumbency would run me ragged. If it was not because of the enthusiasm of all members of this Council across political spectrum, the administration, and the unwavering support of the people of Mangaung, the task at hand would have been insurmountable.

For this, I would like to express my gratitude to my party the African National Congress (ANC), the Democratic Alliance (DA), the Economic Freedom Fighters (EFF), the Freedom Front Plus (VF Plus), African Apostolic Church of the New Testament (AAS), Pan African Congress (PAC), African Christian Democratic Party (ACDP), the ATM, and the Independent Civic Alliance (AIC).

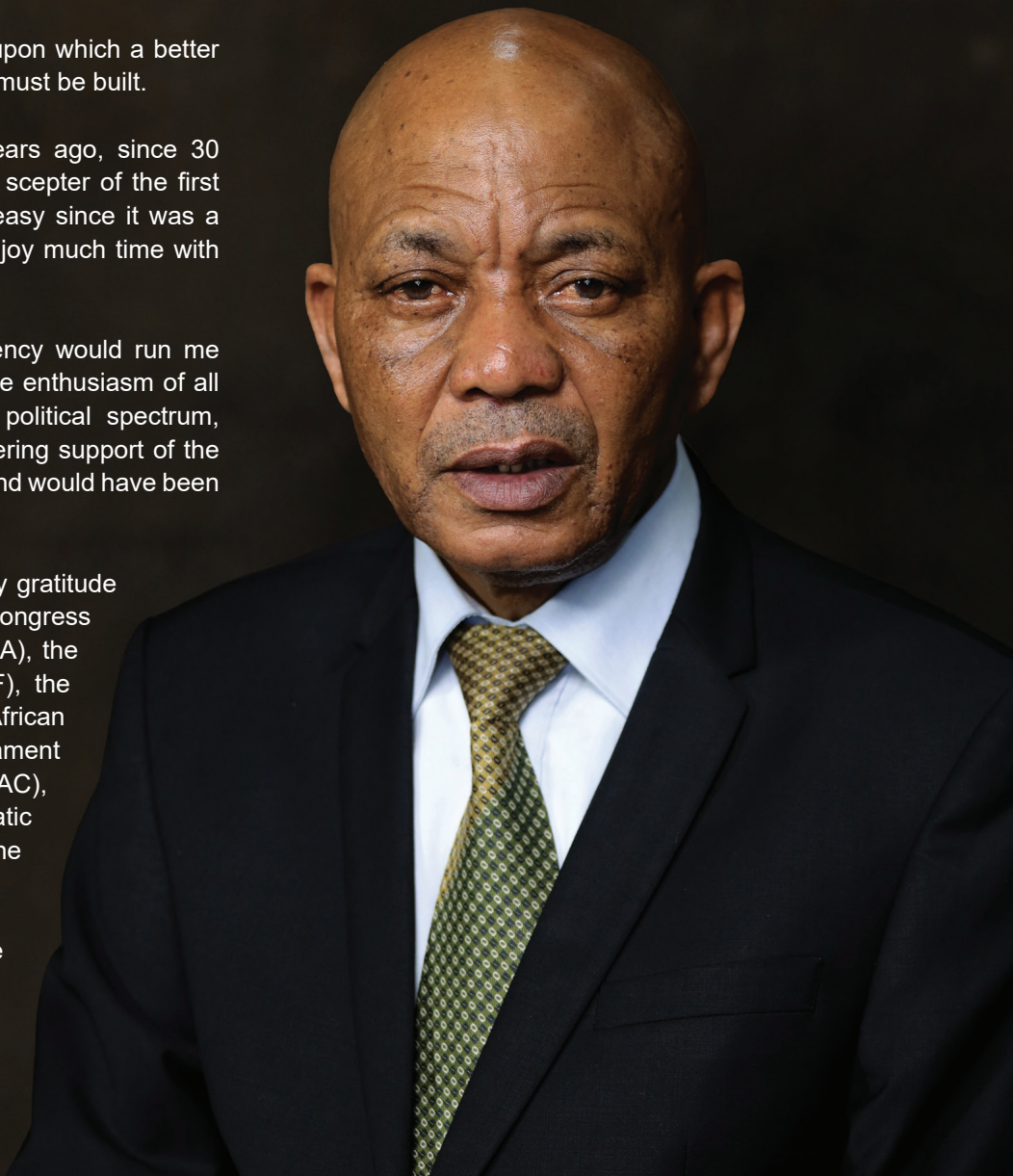
When we took over the reign of the city, we extended an open invitation to all stakeholders to come and join

hands with us as reclaim our city back to its former glory. And all the political parties represented in this council led by example in this regard.

We were also fortunate as the governance of the city, we became an all of hands-on-deck affair because the entire Free State Provincial Government under the tutelage of Honorable Premier Maqueen Letsoha-Mathae, the National Treasury, CoGTA and many other intergovernmental partners did not rest nor held their peace for the soul of Mangaung.

And we are deeply indebted for this!

On this note, we take this opportunity to applaud our State President Cyril Ramaphosa – a statesman par excellence, for handling our diplomatic relations with great wisdom and





dignity. Taking into cognizance a devastating impact of the withdrawal of the US HIV/AIDS program in South Africa, His excellency went to USA to save an African child.

In this context, as we join the international community to congratulate the Catholics for the election of His Holiness Pope Leo XIV, who is the 267th and the first American by descent. We hope the current political leadership of the US will take few lessons from Pope, who acts as a beacon of hope for global peace and unity.

On that particular day of electing Pope, 8 May 2025, when the roar erupted following white smoke bellowing from the Sistine Chapel chimney, the writing became quite evident on the wall that America has added the highest religious authority to its apparent global hegemonic status.

Perhaps this particular pre-eminence of America has attracted the forty-nine (49) Afrikaners who left our country for the United States. They have

willingly fled the country and mother continent of Africa on prearranged voyage instead of purported refugee criterion.

what the father of our democracy and freedom; the Former State President Dr Nelson Mandela when he said:

“Never, never and never again shall it be that this beautiful land will again experience the oppression of one by another.”

As the judicial capital, united in its diversity – black and white we wish to recite the Freedom Charter and declare: South Africa belongs to all who live in it, black and white.

Ons gaan nêrens want ons woord hierso! Ha hona moo re yang!

Together, as we march on towards a non-racial

society, we can do more in reversing the atrocities of colonialism and apartheid towards a just cause of a better life for all.

We also wish to join the rainbow nation in celebrating the under 20 National football side, Amajita, for winning the Africa Cup of Nations for the first time. This is just the beginning; the world is yet to see our best.

Furthermore, the city is elated to follow in the steps of the North-West University (NWU) and FW de Klerk Foundation who have honored Johan “Rassie” Erasmus (Birthplace) coached cheetahs, medical doctor, a two-time Rugby World Cup-winning coach, and former Director of Rugby for South Africa, with an honorary doctorate and Foundation’s Goodwill Award respectively.

In the same vein, for the exceptional contribution of this great legend, it is my singular honor to pronounce our decision to bestow the Freedom of the City to him.

In the past six years the city has been under section 139 (5)(a) and (c) as initiated by the provincial cabinet in 2019, which was then followed by invocation of section 139 (7) by the National Cabinet in 2022.

In this context, the state of the city would be incomplete without any reference to what plunged us under intervention, namely: instability – political and administratively, poor service delivery and non/late payments to creditors due to cash flow challenges.

This therefore propels us to outline state of the state in accordance with the four municipal sustainability pillars as espoused in financial recovery plan including governance, institutional stability, financial management and service delivery.



GOVERNANCE

We owe the current stability to what I consider a mutual respect and political tolerance that exists among us as members of the Council. The rules of decorum of the council are adhered to, with its sittings and those of the oversight structures convening regularly, and effectively. This includes the municipal public accounts committee (MPAC) and the Disciplinary Board.

We are also moving with great speed in institutionalizing the District Development Model (DDM) that was introduced by the Cabinet in 2019. We are proud to have finished our first draft of the One Plan. This plan marks the end of the era of operating in silos and the beginning of a new era of building a coherent state, as envisaged by Chapter 3 of the Constitution of the Republic with regard to cooperative government.

However, in our recent encounter with strategic partners on the district development model (DDM), it became evident that much more work needs to be done both from the technical and political point of view in the implementation of the “The One Plan”.


As we now move towards establishing the structured work-streams for effective implementation, we hope to see a significant improvement in governance as the streams involving catalytic projects, planning and budgeting reforms, monitoring & evaluation, and communications. The City Manager and the entire executive management team must play a leading role in this regard.

INSTITUTIONAL STABILITY

Just a recap on the changes in the administrative landscape in a nutshell, between 2021-2023, the city experienced seven (7) acting city managers and two administrators appointed in terms of the intervention. This implies nine (9) city managers had to play pivotal roles as the chief executive officers in less than three years.

This detail is critical in the sense that not only governance issues such as financial reporting, general accountability and response to audit queries suffered major blows, but instructional performance wholly as well as effective service delivery. The national intervention was also affected.

This period coincides with political wrangling wherein almost all those present at the time were involved in the scramble for control of the city. Party politics beyond the mandate of their respective parties exacerbated the situation.



Major changes within the ruling party in particular, brought immediate end to the political turmoil that affected smooth running of administration. As a result, since mid-2023/2024 senior management positions, including heads of departments, were appointed. This includes approval of the macro-organization structure, and we are currently reviewing and refining the micro-organizational structure.

The very absence of the national intervention team in our midst speaks voluminously about the significant strides in reducing critical intervention issues.

We are content, therefore, that we will pass on the baton to the 7th administration, having improved financial governance and financial health since we have reached consensus with organized labor on one critical issue of the unaccounted-for overtime.

This requires smooth transitioning from rescue to stabilization and sustainability phases. This Council therefore has an inescapable mandate to deliver the revocation of the section 139(7).



Our allegiance to the city came first to political differences as members of the Council. Today Council sittings convene regularly, and political oversight intensified. This enabled us to maintain healthy labor relations with organized labor, smooth revision of the macro structure and filling of critical posts, introducing shift system in an effort to enhance service delivery to reduce overtime significantly.

However, we are still reeling with some undesired patterns of expenditure, contract management and displacements of personnel emanating from what we went through in the recent past.

FINANCIAL MANAGEMENT

Since 2019/2020 to date, we operated under a limited governance autonomy following the invocation of Section 139 of the Constitution – initiated by the Free State Provincial Government and later by the National Cabinet in 2022.

A Mandatory Financial Recovery Plan crafted along the ideals of intervention with its stringent austerity measures became a blueprint for us. This plan is premised on three phases, namely: rescue, stabilization and sustainability.

Let me briefly give an account why are we still lingering in the initial phase of rescue - which propels us to improve the short liquidity of the city and restore sound financial management.

Late (Delayed) appointments in key senior managerial positions such as the CFO has had negative effect in slackening effective implementation of municipal standard chart of accounts (mSCOA), missing the most critical financial reforms including improved public accountability and financial transparency and reporting.

We have been faltering in these reform areas for obvious reasons including:

- Delays in the integration of the pay-roll system with SOLAR Financial System
- Failure to comply with the approved procurement plans, thus undermining
 - Effective budget control and oversight function by the council.

A complete MSCOA compliance will be given high priority in the next financial year. As a matter fact, we have already seen a significant improvement in this regard.

We have demonstrated resilience under the same financial constraints as the budget we are set to approve today, it is credible, relevant and fully funded.

The material irregularities and findings by the Office of the Auditor General (AG) that we responded to, a fortnight ago, are retrospective and relate to the previous financial years including 2021/2023 and 2023/2024.

Another governance issue that often is omitted by many is the effects of the amalgamation or merger of municipalities through the demarcation board processes. All these happened in the aftermath of several amalgamations involving mergers with Motheo District for metropolisation in 2011 and later with Naledi Municipality and Soutpan/Ikgomotseng. (Service delivery was affected for noting). A service delivery model reflecting the complexities and vastness has now become critical, and now made urgent with the Trading Services reforms on us.

Today we are still dealing with some queries relating to subsequent integration and placement of staff stemming from these mergers. This has not only impacted negatively on service delivery but the overall performance of the city as well.

Our greatest deficiency in this regard was to underestimate the magnitude of these mergers and now the brunt of such ignorance is borne by ordinary people.

Despite all these, our efforts to provide basic services to the poor in accordance with the top priorities of the government remains intact.

This includes debt write-off for those affected. (former Naledi debt written off R15 million , and a flat rate is proposed to cater for areas where there are no meters and also areas where it is uneconomical to read.

To this effect we approved an inclusion of 851 indigent applications, extended the validity period of over 66 000 (sixty six thousand) in the Indigent Register of 2025/27 and a total municipal debt of approximately R402 million written off.

The City is fully committed in improving collection rate to strengthen our revenue base, to this end we are strengthening our debt collection mechanisms including disconnection where necessary. We are partnering with CENTLEC in this regard, to ensure an effective and results driven collection. This partnership will ensure that not only will the water be disconnected, but supply of electricity will be denied until a debt settlement agreement is signed or debt paid up.

Cities have made strides, and are collecting 100%, our own CENTLEC is leading at 98%, this is a good story to tell, and an alternative for the city. Though the required collection seem a mountain so high to climb, we urge citizens to pay willingly and on time, this is your city, our city, we need you, we need you to pay, for us to fix the potholes and provide a sustainable service.

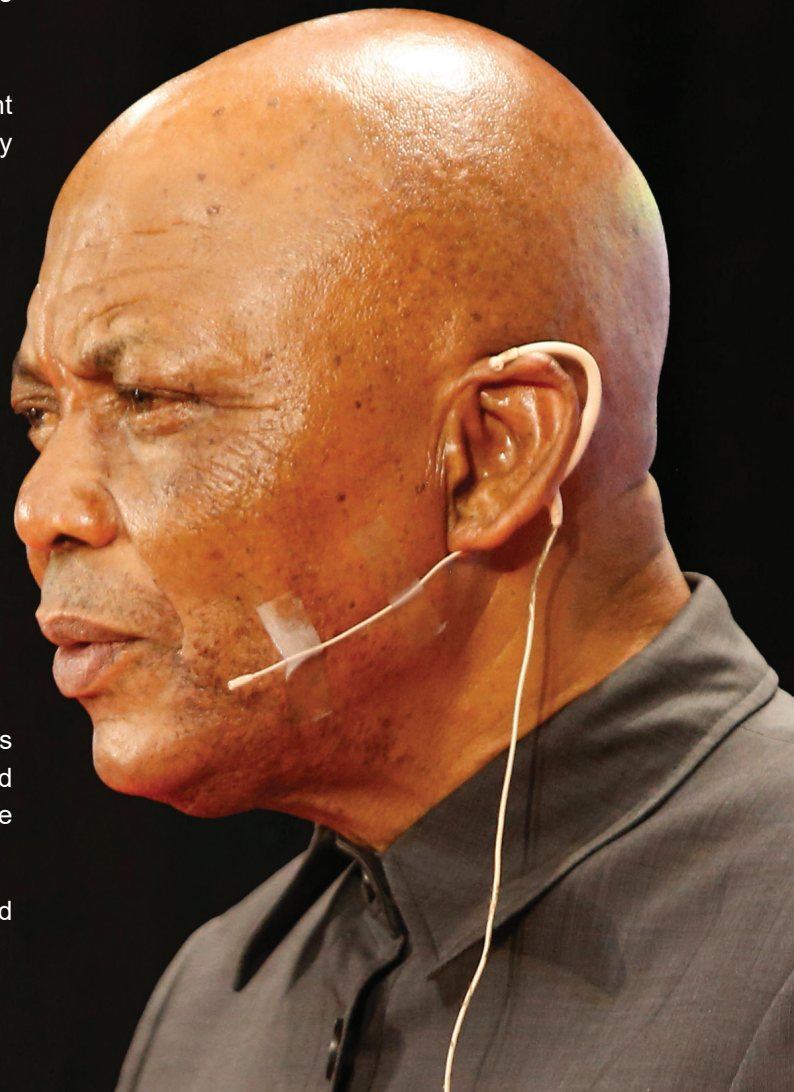
We fully understand, that there are those who cannot afford

the services the indigent policy fully covers the indigent household bill for all services, with the maximum of 50 kilowatts of electricity and 6000 kilolitres of water. Rates, refuse removal and sanitation are fully subsidised.

In an effort to relieve residential customers, the city approved the Debt Incentive Scheme Policy, this policy is coming to an end on the 30th of June 2025, and to date a total of R82 million on R206 million was written off, and the city collected R127 million as at end of April 2025. An alternative policy is being thought off, that will incentivize those that are in areas if they become regular payers. We express our gratitude to those who pay willingly and on time.

We have intensified this effort by introducing the Debt Incentive Package that is aimed at encouraging customers to pay for services and this measure is also to relieve households of municipal debt. The city has augmented its collection capacity by the introduction of external debt collectors, it is with good intentions, and for the benefit of us all. Let us cooperate and do the right thing.

We urge residents to continuously update their contact details for effective communication and delivery of your accounts, it is the right thing to do. It should be at the heart of it all.





In pursuit of much desired clean audit, we have subjected ourselves under tremendous pressure reduce unauthorised expenditure, which is exacerbated by low maintenance budget against dilapidating infrastructure. To improve on this, the city requires a minimum 87% collection rate to contribute 8% to maintenance, versus the current 2%, and to be able to contribute 1% of its revenue to asset renewal and expansion.

This is a significant concern in municipal finance, with municipalities facing pressure to reduce unauthorised, irregular, fruitless and wasteful expenditure (UIF&W) expenditure.

Accordingly, all the red flags involving the Unauthorised, Irregular, Fruitless & Wasteful expenditure are referred to the Municipal Public Accounts Committee (MPAC). As for the cases classified as corruption, referrals are presented to the Disciplinary Board for further investigations.

Having received a Qualified Audit Opinion for the financial year 2023/2024 (system has been put in place to ensure that we aim for an improved audit outcomes, should not be construed as lacking financial prudence in terms of the critical areas of the Generally Recognised Accounting Practice (GRAP). We consider this audit opinion a soft one due to a single difficulty relating to unaccounted for overtime.

A mitigating strategy in this regard involves an introduction of the shift system to speak to the issue of overtime which has already won the approval of the organised labour. The system will come into effect during June 2025. This is envisaged to reduce the employees compensation expenditure at least by 35% - especially in services involving solid waste and engineering.

Our struggle with high non-revenue water and electricity losses continue to undermine and weaken revenue collection efforts, while increasing the costs on the other hand. We are busy with meter audit project which will give direction on future billing of ghost meters that could not be identified during the TiD Rollover project. The month of May marks the end of roll over and any meter not migrated will be regarded as non-existent and will be removed from the system. In this case, those affected will have to come and register their meters to access water and electricity.

We are also tackling the issue of under and unfunded mandates which are mainly functions allocated to the provincial sphere of government but delivered by the municipality with limited financial resources or unfunded in some instances.



SERVICE DELIVERY ISSUES

Community services

After just few days this Council embarked on the resuscitation of Reclaiming the City campaign as part of the program to go back to the basics, this was possible through collaborative efforts with the provincial government and private sector.. This is because, like anywhere in the world, inner-city resembles much of our historical significance as the people of Mangaung.

The level of filth and lawlessness projected the Central Park complex and its surroundings rendered the CBD as a 'no-go' area. This includes illegal occupation of buildings that were left by tenants for more secure places around town. We had to reclaim our city back through a series of cleanings campaigns, enforcing municipal by-laws.

We have also tightened our law enforcement efforts and remain firm on approach on zero tolerance to illegal dumping. Of course, we are not alone in this battle, MAHA has joined us on waste management to seek support in regulating hawkers, adjusting waste pick-up schedules, and securing storage facilities. The Business Forum Cluster is also integral part in our endeavor to reclaim our city.

In enhancing successful implementation of the EPWP and PEP projects as seen last year, in the next financial year we will be focusing on innovative interventions to address water loss through leak detection and repair project, reduce the volume of refuse and organic waste going to landfill sites. This will be done through recycling and composting turning to biogas energy and promote urban greening through urban vegetable gardening.

The Urban Settlement Development Grand (USDG) enables us to allocate R15 million in 2025/26 financial year as well as another R80 million in the outer years towards the rehabilitation of the Northern Landfill Sites in conjunction, a further R42,3 million in the outer years towards the development of a new landfill site towards creating sustainable site for the disposal of waste materials to ensure the health of our communities.

Significantly, the Presidential Employment Programme (PEP) program seeks to boost employment and enhancing skills among the youth of the country. For 2024/2025 financial year, our program in this regard focused on organic or garden compost, recycling, urban greening and water leakage repairs.

The total programme cost for was R40 million and the greatest percentage of our expenditure was mainly for employment cost at 87%, while rest was for equipment and empowerment. For 2025/26, a sum of R24,8 million has been allocated to continue these efforts.

We will closely work with all the relevant stakeholders to ensure that this program becomes a preliminary step towards permanent employment and/or entrepreneurship. We need to invest more in the skills acquired during the process.

"At the heart of it all"

A classic example in this context is a potential in the agro-processing industry that remains undoubted untapped. For this happen, we need more investors to invest in the pride of the city - the youth, empowering them to take full possession of the ownership of whole supply or value chain. This would be the genesis of economic freedom in the life time. This would be the best tribute ever to Papi Makotoko, Hunga Kaibe, Thabo Khuselo and many other young lions of the City who rendered apartheid government ungovernable for the freedom we enjoy today.

The state of our cemeteries has been a thorn in the flesh due to glaring negligence on the side of security services and related tombstones theft. In restoring the dignity of our people, we have completed the Clearview fence installation at the Southpark Cemetery, while currently busy with the Naliesview Cemetery development.

The Council rescinded its initial resolution to relocate the Zoo to Kwaggafontein during March 2025.

We will do all these in full compliance with the ruling of the Free State High Court that the Zoo cannot reopen unless full compliance with strict conditions is adhered to. The ruling involves securing the necessary Commercial Exhibition Permit from DESTEA, adherence to protected Species (TOPS) regulations, and ensuring sustainable financial resources.

For the purposes of reopening and redevelopment of the Zoo to improve its current state, the city will be spending R29 million over the next three years. Our zoo represents an essential entry in the itinerary of Mangaung as a tourist and educational destination hence the need to have it re-opened and restored to its former glory.

With regard to management of and deriving full benefits from our landfill sites the criminal elements turning our landfill sites into crime hubs are facing the full might of the law. The same applies to those found guilty of illegal dumping.

Human settlements

In Mangaung Metro Municipality, the total housing backlog is standing at 73 499 according to registered households in the National Housing Needs Register (updated February 2023) and there are 57 informal settlements which are home to an estimated 38 630 households. The Metro has adopted a municipal wide approach to the upgrading of the informal settlements wherein all the settlements have access to municipal utility services such as solid waste removal, access to water (individual and communal); 88% have access to electricity; and the roll-out of basic services is underway.

Since 2016, Mangaung has upgraded sixteen (16) informal settlements with a total of 9 485 households have been upgraded to phase 3 of the programme i.e. provision of individual household connection of water and sanitation. Of the sixteen (16) informal settlements, two (2) are partially upgraded and have been connected with household water connections ONLY benefitting 5 261 households.

The prevalence of informal settlements is triggered by macroeconomic challenges such as poverty and unemployment, leading to the influx of many people to the city.

This is represented by a total of **57** informal settlements, which are home to an estimated **38 630** households. In this regard, we adopted a municipal-wide approach to upgrading informal settlements wherein all the settlements would have access to municipal services such as solid waste removal, water - both individual and communal. In this regard, 88% already have access to electricity.

In the next three years, **2025/26 – 2027/28**, we will spend a total of **R955,9 million** from the Informal Settlements Upgrading Partnership Grant (ISUPG) for the upgrading of these informal settlements.



This grant is for the prioritisation of incrementally improving informal residential areas for formalising and incorporation into the city or neighbourhood by extending land tenure security, infrastructure and services to residents of informal settlements.

This grant is primarily prioritising the servicing of stands in terms of electricity, water and sanitation and more than 70% of this grant is allocated towards that purpose to improve on the lives and dignity of our people.

Contrary to these strides, we still experience elements of lawlessness that continue to invade the land illegally. These trends tend to escalate when the end of the electoral cycle approaches. Such sporadic invasions as experienced in Botshabelo, Thaba Nchu and Bloemfontein at the beginning of 2024 are condemned in the strongest terms and will never be tolerated any longer.

Given the messy nature of these invasions, elementary registration details about affected invaders have not yet been compiled or verified. This further propels us to review the current and existing 2013 informal settlements upgrading strategy.

Further, we are currently developing the following land parcels for housing purposes:

- Botshabelo Section K with estimate of 1 988 erven;
- Portion 3 of Selosesha with estimate of 1 085 erven;
- Remainder of Botshabelo Farm 826 with estimate of 2050 erven;
- Morojoaneng extension with estimate of 905 erven;
- Lourierpark Phase 1 with estimate of 400 erven to be provided with basic services;
- Lourierpark Phase 2 with estimate of 1986 erven and;
- Wepener extension 6 with estimate of 346 erven.

Another critical human settlement issue that is receiving the attention of the council involves students accommodation. We are currently engaging strategic partners in government at both provincial and national level to source specific buildings for the city to create social housing and renting stock.

Our ultimate goal is to convert such facilities that are closer the institutions of higher learning into students accommodation.

Fellow councillors, being the academic hub as metro implies we parents to those students studying here in Mangaung. By so doing we would have fulfilled our fiduciary duties as parents.

The municipality held its inaugural investment summit on the 19th and 20th February 2025 aimed at attracting and facilitating new and additional investment in our local economy. As a result of the summit the municipality attracted diverse pledges relating to mixed property development, health, ICT, manufacturing and renewable energy. The diversification of our economy is critical to address the scourge of unemployment and poverty.

Building onto the foundations laid through pre-Summit activities including the local business engagement, property and infrastructure indaba's, we promised to shift focus to the Agricultural Sector. This will be considered in the new financial year.

On the front of SMME Infrastructure development, the municipality partnered with the National Department of Small Business, Provincial Department of DESTEA and Letsatsi, constructed a SMME retail park in Freedom Square to cater for the assorted retail needs of the community.

Critical Projects that the City must embark on.

- Conceptual and application for the development of a Special Economic Zone in Mangaung in collaboration with the National Department of Trade and Industry;
- Intensive destination marketing programme to attract signature and profiled meetings, events and conferences in the city;
- Implementation of the Thaba Nchu Agri-Park model for agriculture and agro-processing development.

Engaged different department to source neglected and vandalised buildings to be converted to student accommodation. As the metro we have taken upon this task as evidence that all kids belong to us and it is us as a society who must take care of kids, many of whom are victimised when they come to our city to look for education and opportunists tend to take advantage of them.

State of Roads and Public Transport

The city has an extent of about 1,600 kilometers. It estimated that we must secure at least a total of **R7.5 billion** to rehabilitate and reseal them. With the introduction of the Integrated Public Transport Network (IPTN) and general transport system within the city, we need the latest technologies to improve our roads maintenance strategy. Taking advantage of the existing MOUs with the higher learning institutions, we will prioritize long-term solutions in the next financial.

A significant contribution has also been made towards the construction of access roads linking our informal settlement areas to those that have been formalised providing better access to communities, and to make it easier for people to attend work and improve daily lives. For this purposes, an allocation of **R65,73 million** has been in the 2025/26 financial year and another **R140,35 million** for the outer years.

Further, about **R124,62 million** has been allocated under the USDG grant towards Roads and Stormwater in the 2025/26 financial year with the key projects including rehabilitation of Zastron street, roads in Bochabela, upgrading of traffic intersections, Bergman Square roads, Thaba Nchu roads and the ZCC road. This will assist our communities in the provision of quality roads and reducing of potholes.



During the 2022 to 2024, we have upgraded 9.21 km of roads in our townships including and the following are mentioned:

- Kagisanong Man Rd 11548 (starting behind MMM Regional Office Rocklands until SAPS Offices Hamilton
- T1530 Botshabelo road 816 & 903 Section T Botshabelo
- T1430 Botshabelo 7th street section H
- T1527 A Bochabela streets : MELK (A), MOHLOMI (A), NTHATISI (A), MPINDA, A), MOMPATI, KALA (A), MOROKA (A-G) AND MAN 1002
- Resealing of streets: Jazzman Mokgothu Botshabelo, Taelo Molosioa, Vista Park Roads, Zone 1&2 taxi routes Thaba Nchu, Roth/Kolbe, East Burger

Whilst roads projects under construction include:

- **STORMWATER REFURBISHMENT:** Caleb Motshabi culvert bridge, Dewetsdorp road canal cleaning, Bloemdal culvert bridge (small holdings behind Lourierpark), Langehoeven park/ Spitskop stone pitching (small holdings behind Langehoevenpark), Coke 600 mm stormwater pipe installation in 100m length, Sentraal hoerskool collapsed culvert
- Upgrades gravel to surfaced roads: THA RD 2029 2044 & 2031 UPG Motlatla Location/ Trust

BOCHABELA STREETS UPG T1527B Mkhuhlane, Mococho, Movati, Mompoti, Motivane,

BOCHABELA STREETS UPG T1527C Moroka, Mphinda, Kala, Mompoti, Seleke, Bogach, King, MAN RD 225, 226, 227, 228, 229, 230, 231, 232, 233, 1000,

- **Upcoming projects (recently awarded):**

GRASSLAND PH 4 - ROADS & S/WATER 1.93 km (kerk straat known as Studio Street Bergman Square)

SECTION R BOTSHABELO ACCESS ROAD & BRIDGE - 3.8 km , 2 major culvert bridges, 4 minor culvert bridges

PROVISION OF GRAVEL ROADS AND STORMWATER - Phomolong settlement 4 roads

RESEALING OF STREETS IN ALL MANGAUNG REGIONS -Zone 2 Thubisi Rd, Goddard street, Alexandra street others consultants currently busy with condition assessments

- **Projects at BEC/BAC**

HEAVY REHABILITATION ZASTRON ST 2.34 km

BATHO ROADS Ward 1: Molokoane Str, Makholiso Str, Mooki Str, Kotsi Str, Ngyayiya Road all in 1.5 km long

MAN 10786 BERGMAN SQUARE (start at Grassland outer main road until kerk straat) 4.4 km

Our particular focus is also placed on the storm-water challenges including the Fort Street subway storm-water. Vandalism of the electric cables next to Fort Street subway and vandalism of pumps contributes to further deterioration due to storm-water dam. This then leaves our people frustrated in navigating the way in affected roads.

Our law enforcement attending to this with the hope of bringing all involved criminals to book.

The city is not sitting back and doing nothing about the budget constraints of managing roads assets, business plans are religiously submitted to National Treasury. The national Treasury does state that the city has to better its level of spending conditional grants in order to gradually increase allocations.

The Hauweng Operations that successfully went live on the 14 July 2024 was actually a pilot phase of the IPTN operations. As a result, there were few challenges that required some adjustment for funding purposes.

The City's contribution is a requirement of the Public Transport Grant Framework, which stipulates that all participating cities must contribute between 2% and 9% of their rates revenue. In this regard an allocation amounting to R33,25 Million in the budget approved on the 5th June 2024 for the 2024/25 financial year.



Water Trading Service

For the purposes of progress tracking, we have established techniques keeping the water data. As a result, today, the ideal turnaround time for repairs of reported water leaks is 24 hours reduced from 72 hours – and by the end of the financial year 2023/2024 about 90.7 of the leakages were addressed.

In response to an estimated 46.4% of non-revenue water that has been recorded, we have developed a strategy of reducing this high level of non-revenue water – a strategy that consist of 18 projects. We are in partnership with DBSA in this regard through their Water Partnership Office. The partnership has already kicked off, and progress reporting will follow soon.

1. Pressure and Network Zone Management
2. Pro-Active Leak Detection and Repair
3. Pipe replacement Project
4. Domestic Leak Repair Programme (Presidential Employment Stimulation funding)
5. Valve Replacement Program
6. Replacement of water meters
7. Maselspoort Treatment Upgrades and Refurbishment (Progress is at 60%)
8. Hamilton Pumpstation refurbishment and upgrade

The physical progress of Masselspoort water treatment works is at 60% and is projected to be completed by September 2025. the completion in regard implies that the city will be able to increase volumes of water being treated by the city from 45 Mega Liters per day (ML/day) to 110 Mega Liters per day (ML/day).

The refurbishment phase will be followed by Phase-B and Phase-C set of works which intend to upgrade the capacity of this treatment works to the level where the city will treat 160 Mega Liters per day.



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In the past five years we started the work on the repairs, pipe replacements, valve replacements and pressure management. The cumulative water saving of that period is stipulated at 13.37 ML/day.

Since February 2024 to March 2025, the city has a cumulative water saving of 13.42 ML/day – a progress that was realised in 4 years, amid challenges, has been improved to be achieved within a year.

The city is very much aware that holistic approach towards countering of high levels of non-revenue water requires more funds than the city has been able to allocate. Thus, the city has been submitting business plans in the effort of sourcing additional funds for dealing with non-revenue water levels. The business plans were submitted under the funding of Budget Facility for Infrastructure (BFI).

Furthermore, the city has collaborated with the Development Bank of South Africa in undertaking a feasibility study that would identify strategies which are implementable in an approach of performance-based contract. The idea of this approach is to source money from private investors and only re-pay when the returns are realised.

The city continues to invest the USDG funds on trading services, as such, a total of R541,26 million is allocated for the next three years. This is allocated to projects relating to water reticulation, plants refurbishment and upgrade and reservoirs.



Sanitation Trading Service

Before July 2023, sanitation complaints were mostly attended from 72 hours to beyond, first quarter of 2023 / 2024 financial year depicted that 94.8% of spillages and complaints were attended from 72 hours and beyond. Currently, the city attends 91.9% of sewer spillages within 48 hours. The city improved from the time where the city was referred to as the city under the pool of sewer.

The ideal is to attend to all sewer spillages within 24 hours. The city is advertising for vacancies to counter high levels of vacancies in the department and the city is gradually procuring fleet gradually to have well equipped and sufficient teams to realise the goal of attending spillages in 24 hours.

The city took a positive turnaround by approving a strategy of attending to sanitation and water business matters under a semi-autonomous business unit. The idea is to ensure that these services are managed in a manner that would see them self-sustaining in about 5 years.

The city has 79 082 households that are not serviced through waterborne sanitation. 50 477 of these stands are serviced through ventilated improved pit latrine (VIP) toilets. Despite constraint resources the city does service these VIPs periodically.

In ensuring a long term strategy to eradicate buckets and pit latrines, the city is considering various technologies, and a benchmark will be done with Limpopo Municipalities who, similar to us with regards to water scarcity, had opted for alternative non-waterborne sanitation which can be retrofitted to water as soon as it becomes available. The delegates will comprise ward councillors who will bring the story home to the constituencies.

The city has initiated a process of procuring eight (8) vacuuming units to ensure that the servicing of VIPs is continued on daily basis; contracted services will be accessed during the periods where surge in demand is experienced.

While servicing the VIPs, the city will be simultaneously working on improving bulk sanitation, bulk water and gradual, waterborne, servicing of stands.

The city has thirteen (13) wastewater treatment works (WWTW) and nineteen (19) sewer pumpstation. Condition assessments of these assets were undertaken – condition assessments that are informing the refurbishment work of WWTWs. The refurbishment work has commenced at Botshabelo WWTW and Thaba Nchu WWTW.

In order for us to ensure continued services to the people, the city has allocated a sum of R971,77 million, that's almost a billion over the next three years on sewer and sanitation infrastructure.



Electricity services

Our electricity entity, CENTLEC remains strategically focused on distributing electricity that is at lower than transmission voltage levels (132kV) to the end customers. In pursuit of this mandate, we are indeed proud to have made following exceptional strides:

- completing 1,797 household electrifications, with an additional 1,500 connections expected by June 2025.
- enhancement of community safety through the installation of numerous high mast lights.
- Currently busy with developing a business plan to participate in the National Treasury's budget facility for infrastructure, aiming to enhance its ability to differentiate between planned and unplanned maintenance. This initiative is aimed at improving electricity supply and reduce losses.
- Successful completion of the prepayment meter software upgrade for TID (Token Identifier) in Naledi (Dewetsdorp, Wepener, and Vanstandesrus), which began on June 1, 2023. This upgrade ensures service continuity and customer satisfaction, as the previous system was due to expire in November 2024.
- The rollover continued across CENTLEC's supply area to upgrade all prepayment meters before the November 2024 deadline. The entity met the deadline. Despite these efforts, CENTLEC faces an infrastructure backlog exceeding R350 million per annum due to aging infrastructure, highlighting the need for continued investment.

Taking advantage of the demands of the fourth industrial revolution and digital age, CENTLEC is in the drive to implement smart metering technology to enhance revenue and financial management controls.

At the heart of this measure is to combat electricity theft and supports the objectives of the Distribution Losses Reduction Strategy and the Revenue Enhancement Program, which aim to lower non-technical losses from 7.61% to 5.4% by 2032 well below the 12% threshold set by NERSA. The smart metering technology will provide better efficiency in energy provision and also the integration of renewable energy to meet customer demands.

Future projects include 83 MW of Renewable Energy Projects that will serve to add or contribute towards the energy the mix initiative. The projects such as Microgrids, Rooftop Solar, Solar Farms and the repurposing of the mothballed coal fired power station etc. are imminent initiatives to be rolled out in the foreseeable future.

Rural Development

In an attempt to address the imbalances of the past, we will engage partners in government including Department of Rural Development and Land Reform, to capacitate our people to harness their indigenous knowledge economy through formation of functional cooperatives, training and secure grant funding to economically active.

As we enter the youth month to remember those fearless youth of 1976, led by the Office of the Council Speaker, we envisage to host a multi stakeholder engagement sessions with various youth formations. Our intention is to engage the young people in resolving many of the social ills affecting them in the city.

Our third major focus will be continuing effort of attracting more investors to the city through annual investment submits. This calls for a strong international relation including our IGR partners. We envisage to tap on the wisdom and resources of our partners this regard, to improve on long-term planning issues, performance management system, monitoring and evaluation, and exploration of means to professionalise local government.

Thus, we need to redefine the concept of partnerships between municipalities and the public sector, the private sector and community and non-governmental organisations. The partnerships that only effective when their financial gains, is a gateway to another state capture.

Public Safety and Security

The city is hard at work to uproot the culture deliberate disregard of the rule of law. In the past two years became unpopular for impounding of vehicles, while on the other hand this generated a significant revenue of about R12,6 million.

On matters pertaining to disaster and emergency management services, our responsive rate on cases reported is satisfactory. We responded swiftly on the reported fires at the National District Hospital, De Brug army facility, Kopano Nokeng Conference Centre, Black Mountain Hotel, Twayelane Fourways complex in Botshabelo ensuring that such facilities were not totally damaged.

Working in close collaboration with the Working on Fire and FPAs, the city managed to suppress a total of nine hundred and three (903) veld-fires incidents which affected sixty-six thousand, two hundred and forty-nine (66 249) hectares. Other partners include the provincial government, SASSA, Red Cross, Gift of the Givers, Meals on Wheels, Alimdaad Foundation, Babu Frederick Foundation, to mention but a few.

Critical challenges in terms of our institutional capacity to deal adequately with any threat related to disaster involves financial constraints since we need about R30,2 million open the Rodenbeck Fire Station. This includes the procurement of a Disaster Management Information System which is a legislative requirement, and development of a Comprehensive Disaster Risk and Vulnerability Assessment.

The financial year 2024/25 marked the beginning of a ground-breaking collaboration of the City with the South African National Defence Force (SANDF). The partnership aims to foster knowledge sharing and capacity building between the two law enforcement agencies. A comprehensive week program was held at Tempe Army Base, the aim was to enhance the capacity and professionalism of our law enforcement.

One of the CAPEX, projects relating to law enforcement and public safety were resuscitated, in the main, the maintenance of the CCTV Cameras across the City. We envisage to install a fully functioning Integrated Control Command Centre (ICCC) within the Municipality.

This includes surveillance around student commendations as students' safety became a thorny issues around the city earlier this year. I had the honor of joining the ministerial campus safety team during the launch and rolling out the learning environment safety framework at University of Free State.



Honorable Speaker, allow me to sum up the medium-term revenue and expenditure framework for 2025/2026 to 2027/2028.

Operational Budget

- Water tariffs will increase by 11% for 2025/2026 as applied for by Vaal Central to DWS
- Electricity will increase by 13,5% as applied for to NERSA.
- Property rates, taxes, sanitation and refuse removal will increase by 4,4%.

Regarding the Mangaung Vehicle Operating Company (Pty), the City will subsidise the company with a maximum of 2% of property rates revenue to ensure safe, efficient and affordable transport. This is mainly to augment the revenue generated from the sale of tickets, which for the next three years is projected at R34,8 million against a budget of R156,22 million over the next three years.

We are also grateful to be part of the National Treasury's reforms program that to improve the regulation of water quality through various incentive schemes like Blue Drop, Green Drop, and No Drop. Together we are ready ahead of the reforms envisaged to begin on 1 July 2025.

The water and sanitation trading reforms proposes a grant of which the amount will still be determined during the adjustment budget, with 10% earmarked for the setting up the business unit and 90% on strategies aimed at turning around the fortunes, including R 48 million of the grant dedicated to Presidential Employment Programme and similar activities.

Some of the projects that will contribute to loss reduction involves commercial and technical water losses. For this purpose, we are also partnered with DBSA who agreed to join us in analysing non-revenue and unaccounted water with an estimated value of R341 million.

Fellow councillors, the vote with the largest budget remains CENTLEC with a total of just above R13,97 billion of the total budget of R35,13 billion. This represents 40% of the expenditure, followed by water and sanitation with the budget of R9,61 billion, taking about 27% of the budget.

In essence, this implies trading services of electricity, water and sanitation weighs about 67% of the budget. Significantly, all these are basic needs that are in line with the IDP and cannot be deferred further.

Fellow councillors, you may recall how we dealt with daily complains about overflowing of sewerage from different wards. The people of Mangaung now breathe a sigh of relief. This is because that sight and stench of sewage overflowing from manholes onto our streets highlights is under control.

There is no doubt that the spillages contributed significantly to damaging municipal roads as have observed how roads foundations were eroded, creating potholes, cracks, destabilizing of the pavements and general deterioration of the quality of our roads.

To avoid recurrence, are engaging relevant stakeholders in exploring modern technologies regarding sewer network blockages. This will enable us to detect pressure, water flow and tempering with the network at any point.

As a matter of fact, some blockages appeared to be a deliberate act of unpatriotic individuals who got exposed to doing business with city, now opting to vandalize. We have learned from the experience that forcing of foreign objects into the sewer network, and to remove all these was too costly.

We are spending an average of R4 million per month unblocking, whilst we can spend R4 million to prevent objection from being shoved into the network, the test project will focus in areas where we have repeated blockages that subject our people to inhumane living.

One of the critical water and sanitation challenge involves the eradication of a bucket system. We will therefore allocate an amount of R5 million to conduct a feasibility study and developing business plan for pit latrine and bucket eradication.

Over the years, the vacuuming pit latrines is unsustainable and is not solving the problem. Hence, we propagate a long-term strategy that will resolve this matter once and for all.

While the Municipal staffing regulations accorded another opportunity to redeem ourselves from the inherent culture of poor performance, we are still grappling with the issue of staff low productivity.

Notwithstanding possible impact of low morale among members of staff, but our oversight function will now put more emphasis on staff productivity with a particular focus on discipline. One contributing factor to a low staff morale could be prolonged acting that creates legislate expectations for those involved, while others are ignored.

The Corporate Services Directorate is now busy with job evaluation process which is intended to ensure fair remuneration of staff in accordance with their skills and contribution expected and aligning the staff remuneration with the upper limits of senior managers.

We have also started to progressively adjust expenditure budget items that had been understated, the bulk purchases of electricity, depreciation and debtors' impairment. This is aimed at reducing the unauthorized expenditure that we don't want to see.

Capital Budget

Fellow councillors, grant funding to municipalities is crucial as they supplement key funds which are used to provide bulk services and maintain municipal infrastructure.

Regarding the Urban Settlement Development Grant, the City has been allocated R541,28 million in the 2025/26 financial year, and R566,01 million and R591,62 million in the two outer years in relation to capital projects. This grant is meant for the creation of sustainable and integrated human settlements that enable improved quality of household life.

This includes a total of R139,43 million has been allocated towards sanitation for the 2025/26 financial year. The Wastewater Treatment Works in Selosesha will be a high priority for the city and a total of R61,5 million together with a further allocation of R166,9 million in the outer years has been allocated towards construction and refurbishment of these treatment works to assist our communities with safe and hygienic sanitary facilities.

About R10 million with a further R35 million in the outer years has been allocated towards pumpstations and rising mains towards the improvement of sanitation services.

Significant projects to be funded from the Urban Settlement Development Grant includes the upgrading the Maselspoort Water Treatment Works including re-use. Total allocation of R37 million was made for the 2025/26 financial year with another R118,4 million allocated for the outer years.

This will improve the quality of water provided to our communities as well as ensuring a sustainable supply of water to the city. This will further reduce our reliance on Vaal Central Water and reduce our bulk costs, allowing additional funds to be available for repairs and maintenance and other critical activities.

The city has also allocated R59,2 million in the 2025/26 financial year towards prepaid metering and metering of unmetered sites. This emphasizes the drive by the city to improve its collection rate as well as reducing our non-revenue losses.

Regarding the Public Transport Network Grant, the City has been allocated R144,72 million in the 2025/26 financial year, and R117,77 million and R118,47 million in the two outer years in relation to capital projects. The purpose of this grant is to provide funding for accelerated construction and improvement of public and non-motorised transport infrastructure that form part of a municipal integrated public transport network and to support the planning, regulation, control, management and operations of fiscally and financially sustainable municipal public transport network services.

The city's bus service, Hauweng, has been launched in July 2024 and is fully operational in phase 1C on the Brandwag route. With this year's allocation including the outer years, the city intends to develop and operate phases 1A and 1B which include the Moshoeshoe and OR Tambo routes respectively.

In addition to grant funding, the city has prioritised own funding to the amount of R 328,72 million for the 2025/26 financial year as well as R291,25 million and R258,25 million for the respective outer years. I want to highlight a few critical projects from this funding.

The City has allocated R254,6 million from its own funds towards the provision and upgrading of electricity infrastructure for the 2025/26 financial year and a further R456 million in the outer years. This will ensure sufficient and sustainable supply of electricity to our communities.



MAYORAL FLAGSHIP PROJECTS

Speaker, given the urgency of almost every single governance issue presented to us, in most cases our approach has been unstructured. We could even package our flagship projects properly. The Office of the Executive Mayor restore formalization of the mayoral imbizo and outreach programs. The Office will further revitalize the youth ministry that has now lately been neglected.

The progress made thus far on empowering women and the youth need to be amplified much more, this should be done with a specific focus on deliberate and focused intervention programmers. This programme will propagate a particular to these vulnerable groups in term of procurement of various goods and services and job recruitment drive.

As we are now engaging some potential investors to agree on sealing investment agreements, we will ensure that such investments respond to women and youth challenges, through investment opportunities.



CONCLUSION

Two years ago, we confirmed to prioritize reclaiming our autonomy and glory along the ideals of freedom from the intervention in terms of section 139 of the Constitution and becoming a model of good governance. We accomplished laying a solid foundation in building our reputation by ensuring full functionality of the Council and its committees including integration of strategic partners such as business sector and academic institutions. The governance of the city is now fully intact, politically and administratively functional.

Though we are still at the rescue phase of financial recovery plan processes, the environment has improved significantly in terms of governance, institutional and financial performance. We envisage to achieve at least 80% collection rate and intensify current efforts to address service delivery backlogs.

I fully agree with Minister of Finance Enoch Godongwana's assertion that the time has come for municipalities to "... recognize that quality service delivery is not just a constitutional obligation but also the cornerstone of their own financial viability."

This recognition is long overdue and comes at a critical juncture in Mangaung's journey to financial recovery.

We are entering the last year of this Council, the first ever in the democratic era to complete a full term under the limitations of section 139 of the Constitution. When we cast our minds back to the struggles and material irregularities difficulties we had to endure – but significantly, overcome, we should simply be grateful for standing united to avoid a total collapse.

Now we call upon every public functionary in the employ of the city including CENTLEC, every councillor – ward or proportional, every citizen, business community, churches, NGO, CBO and academic institutions in the City, to join hand with in transforming our city become more professional, developmental and ethical in conducting its business.

We pledge ourselves to end all kinds of lawlessness ranging from unethical conducts at work, non-payment of municipal rates and services, corruption, illegal dumping and blatant disregard of the municipal by-laws, illegal connections, illegal occupation of municipal property including buildings and land.

In reclaiming the city, whatever is within your reach, do it, and do it with all your strength.

As I present our funded budget which has duly been unreservedly and unanimously recommended by the multi-party Finance Committee and the Mayoral Committee to this august house, I wish to conclude with the wise sayings by Mikhail Gorbachev to remind you that the part of the 'earth' which we live in is Mangaung: **"We are all passengers aboard one ship, the Earth, and we must not allow it to be wrecked. There will be no second Noah's Ark"**.



MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK

2025/26 – 2027/28

COUNCIL RESOLUTION NO 103.2 – 27/05/2025



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PART A

1. BUDGET PREFACE

This is the fourth (4th) budget being tabled to council by this current council which has since been inaugurated in November 2021, after the Local Government Elections (LGE). This budget is the second last of the five (5) and we are now starting to take stock of what was key in the IDP and how far those aspirations had been implemented/achieved. Whilst this is the third IDP Review, it should be noted that the key focus is more on human settlements upgrade. This programme includes township establishment and installation of services including bulk water and sanitation as well as reticulation of water, sanitation and electricity.

MAN Mangaung - Table A1 Consolidated Budget Summary

Description	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousands										
Financial Performance										
Property rates	1 387 795	1 508 845	1 448 159	1 654 053	1 654 053	1 654 053	1 424 036	1 744 100	1 840 810	1 905 699
Service charges	4 486 855	4 784 065	5 256 285	6 340 977	6 472 937	6 472 937	4 831 845	6 854 443	7 309 736	7 855 737
Investment revenue	18 214	62 163	79 386	78 241	78 241	78 241	81 183	87 518	85 773	83 875
Transfer and subsidies - Operational	877 604	986 537	1 235 678	1 275 488	1 300 047	1 300 047	1 195 591	1 361 141	1 405 025	1 476 880
Other own revenue	934 530	1 044 089	1 435 725	1 311 366	1 537 072	1 537 072	1 288 374	1 593 384	1 606 288	1 552 926
Total Revenue (excluding capital transfers and contributions)	7 704 998	8 385 699	9 455 233	10 660 125	11 042 350	11 042 350	8 821 029	11 640 587	12 247 632	12 875 117
Employee costs	2 244 582	2 223 632	2 461 979	2 513 360	2 495 954	2 495 954	2 201 013	2 655 658	2 725 232	2 835 079
Remuneration of councillors	67 895	69 434	74 552	79 728	78 428	78 428	65 111	83 728	88 124	91 649
Depreciation and amortisation	906 729	885 335	853 274	420 694	674 788	674 788	663 642	752 070	857 195	894 454
Interest	115 415	178 458	141 329	27 072	27 072	27 072	45 607	12 723	2 605	62
Inventory consumed and bulk purchases	2 792 096	3 142 937	4 083 745	3 211 258	3 444 258	3 444 258	3 369 961	3 692 720	3 886 500	4 113 448
Transfers and subsidies	7 244	—	4 992	361	361	361	—	15 000	—	—
Other expenditure	3 428 153	2 899 752	3 173 876	3 382 180	3 704 559	3 704 559	3 117 971	3 942 987	3 995 651	4 128 513
Total Expenditure	9 562 114	9 399 547	10 793 747	9 634 653	10 425 420	10 425 420	9 463 305	11 154 887	11 555 308	12 063 205
Surplus/(Deficit)	(1 857 116)	(1 013 848)	(1 338 514)	1 025 472	616 930	616 930	(642 276)	485 700	692 325	811 911
Transfers and subsidies - capital (monetary allocations)	915 188	825 524	606 718	1 034 842	787 369	787 369	398 534	1 017 011	1 029 138	1 071 665
Transfers and subsidies - capital (in-kind)	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	(941 929)	(188 324)	(731 795)	2 060 314	1 404 299	1 404 299	(243 742)	1 502 711	1 721 463	1 883 577
Share of Surplus/Deficit attributable to Associate	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year	(941 929)	(188 324)	(731 795)	2 060 314	1 404 299	1 404 299	(243 742)	1 502 711	1 721 463	1 883 577

As at 30 June 2024, the city spent R10 793 747.00 on operational costs against a budget of R9 725 411 000.00, and generated a total revenue of R9 455 233.00 against annual target of R10 580 094 000.00, and capital expenditure of R1 120 907 003.00 against the annual budget of R1 296 784 000.00. For the current year, the final capital expenditure budget is a sum of R1 140 830 020.00 as per the final adjustment and is projecting a spend 100% of the allocated funds, whilst revenue full year forecast is R11 066 669 000.00, and expenditure of R10 465 311 000.00 that's a surplus of R601 358 000.00

Operational Budget (revenue and expenditure)

The city generates its revenue from trading services of water, electricity, sanitation and refuse removal as well as from rates and taxes levied in accordance with Municipal Property Rates Act of 2004 as amended. The city has generated a total of R25 545 930 000.00 in revenue and R 29 755 408 000.00 in expenditure over the last three years. The current year's budget has been adjusted and is now projecting R11, 069 billion of revenues and R10,465 billion of expenditure. The table below gives revenue generated over the MTREF (three years audited, current year and the next three years.

Like any other city, the budget of the metro is expected to generate a surplus so as to build reserves that can be utilised for the infrastructure investment required to keep the existing network, systems and mechanisms to continue providing services with economic value, and as such collect from the end-users. Paying municipal services is the right thing to do, and it's an obligation that we all have as citizens in Mangaung. The table below summaries revenues generated in the last three years and the year to date projections of both revenue and expenditure.

This table indicates that the city did not realise the projected surplus due to demands for goods and services that are impacted on by price increases and changes in the conditions of which some of the supplies are obtained under. As part of the turnaround of city's finances, through the implementation of the FRP, we believe that the results will be much better than in the precious years, a surplus will be a surplus so that more money can be invested in refurbishment, upgrades, bulk and linking services.

The city's administration is headed by the City Manager with 7 HoDs, including the establishment of the new department of Water and Sanitation in accordance with the Water Trading Services Reforms currently under implementation and the splitting of Planning, Human Settlements, Economic and Rural Development into two departments, one dealing with planning and human settlements and the other dealing with economic and rural development. The city is currently reviewing the organogram to make it more fit or purpose and agile to the demands and expectations of the public we serve. However, the micro organisational structure has been impacted upon by various resolutions of council including the resolution to adopt the water and sanitation trading reforms.

The city provides its services through existing network, a total of 884 000 people, 248 000 households, 4 580 commercial and government 3 251, of which 1 650 are government residential. In as far as sanitation, the city is operating 13 waste water treatment plants, with the treatment capacity of 142 ML, the largest and oldest treatment works being Bloemspruit at 54ML per day capacity.

The city purchases raw and potable water from Vaal Central. Bulk costs of water are just over a billion per annum, and over the three years, the total spent on is almost R2.7 billion. The city is currently refurbishing Maselspoort and the project as well as implementing the water re-use. The contractor has been on site implementing the project.

Though the city battled with the blue and green drop status, on the green drop status, the key issues are relating to sewer spillages, water leaks and a very long turnaround time. As such, a Green Drop Action Plan has been adopted which focuses more on training of staff to certify them as Process Controllers, as well plant refurbishment to improve treatment of sewer and quality of sludge and handling accordingly, targeting repeated spillages through the appointment of contractors working on sewer spillages and now the city is considering latest technology that prevents system and network blockages.

In as far as electricity is concerned, Eskom is the only supplier of electricity. The collection rate from electricity is standing at 95% on average as a result of supply to residential customers through a prepaid meter, which is the excellence the city wants to replicate in water sector, to improve collection as well.

The city is intending to test the new technology on sewer network/system blockages. The new innovation is about manhole protection, preventing foreign substance from being dumped or deposited inside the system, resulting in blockages. As the city continues to attend to blockages, it will insert these protector grids and test the usefulness and impact on costs and budget.

The city is managing and operating total assets of R41 billion, with those of the city alone, valued at R24, 498 billion. These assets require personnel and maintenance equipment to ensure continued services availability, of which component of the personnel budget relates to plant and other facilities in operation. New assets are acquired as older one reaches their useful lives, as well as replacement of components to keep the asset productive. Annually, the city must make provision for new assets and refurbishment which replaces older parts or overhauling for improved performance. This culminates in the Capital Budget.

Overall, the city had spent a total of R2 326 292 895.00 of CAPEX over the last three years against an allocated budget presented in the table below:

CAPITAL EXPENDITURE PER DIRECTORATE	Actuals	BUDGET	CURRENT YEAR
	2022 - 2024	2022 - 2024	ADJUSTMENT
CENTLEC	470 193 693	647 694 690	343 644 800
OFFICE OF THE MAYOR	197 557	500 000	200 000
CORPORATE SERVICES	43 281 708	77 355 303	26 041 403
COMMUNITY SERVICES	182 617 048	514 244 871	231 760 137
FINANCE	123 000	600 500	-
PLANNING	76 611 721	84 698 979	56 440 769
ECONOMIC DEVELOPMENT	17 645 316	42 434 000	6 200 000
FRESH PRODUCE MARKET	2 026 163	5 818 371	750 000
HUMAN SETTLEMENT	396 169 552	795 240 749	188 264 098
ROADS AND STORMWATER	422 246 434	703 564 789	143 217 735
FLEET MANAGEMENT	195 579 833	168 695 151	34 428 726
SANITATION	277 024 426	347 652 699	139 904 993
WATER	240 757 524	449 116 540	161 586 070
MISCELLANEOUS	-	-	2 000 000
PUBLIC SAFETY	1 818 919	11 259 155	17 130 390
TOTAL	2 326 292 895	3 848 875 797	1 351 569 121

The spending of the city as alluded to is in ensuring that people are served and that the annual targets set are met. As we know, that which cannot be measured cannot be accounted for fully. The targets keep us on our toes, to be looking forward to an objective. It is for this reason that the Executive Mayor signs performance agreements with the City Manager, to ensure that there is a people's contract that hold each one accountable. Subsequently, the City Manager signs performance agreements with all HoDs. The team is fairly new, with most having completed one year with the city and some approaching year 1.

The next two years are critical not only because they are falling between the term that is ending and the new term that will begin, but because of the commitments we give to the people, that they ill be served and they will respond positively as well by paying for their services to keep this municipality's lights on and water flowing.

In closing, the city has supported over 67 000 households that are indigent, at the cost of approximately R1 billion funded from Equitable Share Allocation of R1.2 billion received from the national fiscus. We therefore urge every citizen and business to pay their taxes to continue providing free basic services to those who are less fortunate. Businesses who turns over R5 million per annum are obligated to register as VAT Vendors, and we will strictly check our partners to ensure compliance.

At the heart of it all..

2. COUNCIL RESOLUTIONS

ITEM: TABLING OF THE ANNUAL BUDGET FOR THE 2025-28 MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK

PURPOSE

The purpose of this item is to seek council approval of the Annual Budget for 2025/26 Medium-Term Revenue and Expenditure Framework, and the outer years 2026/27 and 2027/28, including policies and tariffs.

Background

The municipality is expected by law, to table the Annual Budget in terms of MFMA Section 24(2) by no later than 31 March 2025, which is 90 days before the start of the financial year. MFMA Section 24(1) requires that Mayor's must table the annual budget at least 30 days before that start of the financial year. The budget sets the revenue framework, the expenditure framework, the capital expenditure framework, the rates, the policies to ensure that the revenue projections meets the expenditure expectations.

MFMA Section 17 prescribes the format in which the municipal budget must be presented. National Treasury therefore publishes Schedule A tables for capturing and presentation of the budget which covers a spectrum of 7-years, whereby the first 3 years are audited actuals, the current year and the next three years.

The City's annual budget for 2025/26 – 2027/28 is reflecting the revised Integrated Development Plan (IDP).

Motivation

The MFMA places the obligation to approve budget to the council of the municipality within the legislated timeframes. Non-compliance with MFMA Section 24 will result in the application of MFMA Section 26 – Consequences of failure to approve the budget before the start of the budget year.

This budget has been presented to the Budget Steering Committee and to the Finance Committee represented by various public office bearers elected and serving the Mangaung Metropolitan, who supported unanimously that this budget be submitted to Council after consideration by the Mayoral Committee.

The budget will be debated in **council within 14 days** from date of tabling before public participation process starts as well as the National Treasury Budget Benchmark. The 14-days is to allow all stakeholders in the council chamber to consult with their political parties and constituencies.

Financial Implications

The budget tabled has operational and capital expenditure implications. However, it will be ensured that the budget remains funded, tariffs affordable to ensure access to services by the end users.

Legal Implications

The budget has legal implications as it is drafted in compliance with MFMA Chapter 4 and the details of the budget complies with POPIA . The following sections applies to this report:

- MFMA Section 16 and 24
- Municipal Budget and Reporting Regulations
- MFMA Circulars
- mSCOA Regulations and the circulars releasing the Chart of Accounts applicable for the MTREF covered in the budget

Consultation

Council adopted an IDP and Budget Process Plan that identified all stakeholders relevant during the preparation of the budget, the review of IDP and tariff determination, as well as increases of costs relating to Operational and Capital Budget. The Executive Mayor and the Deputy Mayor who is deployed to oversee IDP and Performance led all engagements supported by the City Manager and his team.

Recommendations

The resolutions of this budget recommends that:

1. The metro's annual budget for the financial year 2025/26; and projected allocations for the two outer years 2026/27 and 2027/28 contained in A- Schedule Budget Template issued by National Treasury, and related policies as set out in the following tables and annexures, be approved.
 - 1.1 The tariff increases as set out on pages 33 – 44 of the Executive Summary be approved.
 - 1.2 That the Consolidated Budget Summary as per Table A1 be approved.
 - 1.3 That the Consolidated Budgeted Financial Performance (Revenue and Expenditure by standard classification reflected in Table A2 as set out on page 76 be approved.
 - 1.4 That the Consolidated Budgeted Operating revenue and expenditure by vote reflected in Table A3 as set out on pages 77 - 78 be approved.
 - 1.5 That the Consolidated Budgeted Operating revenue by source and expenditure by type reflected in Table A4 as set out on pages 81 - 82 be approved.
 - 1.6 Multi-year capital appropriations by vote reflected in Table A5 as set out on page 86 be approved.
 - 1.7 That the Capital Workbook attached as Annexure A be approved.
 - 1.8 That Consolidated Budgeted Capital Expenditure by Vote and Functional Classification as reflected in Table A5 as set out on page 86 be approved.
 - 1.9 That the consolidated Budgeted Financial Position as reflected in Table A6 as set out on page 87 be approved.
 - 1.10 That the Consolidated Budgeted Cash Flow Statement as reflected in Table A7 as set out on page 88 be approved.
 - 1.11 That the Consolidated Budgeted Cash Reserves/ Accumulated Surplus as per Table A8 as set out on page 89 be approved.
 - 1.12 That the Consolidated Assets Management as per Table A9 as set out on pages 90 - 92 be approved.
 - 1.13 That the Consolidated Basic Service Delivery Measurement as per table A10 as set out on pages 92 - 93 be approved.
 - 1.14 That the Supporting Tables SA 1 – 20 as set out on pages 93 – 99 and 114 – 131 be approved.
 - 1.15 Salaries and benefits of political office bearers, councillors and senior officials as reflected in Table SA 22 and SA 23 as set out on pages 133 – 135 be approved.
 - 1.16 That the supporting Tables SA 24 to SA 36 as set out on pages 136 – 153 be approved.
 - 1.17 Consolidated budget tables for the City and municipal entities (CENTLEC) be approved.
 - 1.18 Revised Consumptive Tariffs, Rates and Basic Charges for Electricity, Water and Sanitation, and Solid Waste Management Services as set out in **Annexure A1** be approved.
 - 1.19 Budget Policy as set out in **Annexure D** be approved.
 - 1.20 Tariff Policies as set out in **Annexure E** be approved.
 - 1.21 Credit Control and Debt Collection Policy as set out in Annexure 8 (with effect from 01 July 2025) as per **Annexure F** be approved.
 - 1.22 Indigent Households and Free Basic Services Policy **Annexure G** be approved.
 - 1.23 Grants-in-Aid Policy as set out in **Annexure H** be approved.
 - 1.24 Virement Policy as set out in **Annexure I** be approved.
 - 1.25 Supply Chain Management Policy **Annexure J** be approved.
 - 1.26 Investment Promotion and Incentive Policy **Annexure K** be approved.
 - 1.27 Overtime Policy **Annexure L** be approved.

- 1.28 Policy on travel and subsistence allowance policy **Annexure M** be approved
1.29 Cost Containment Policy **Annexure N** be approved.

2. Council notes National Treasury MFMA Circulars 129 (Municipal Budget Circulars for 2024/25 MTREF) as set out in **Annexure O** be approved.
3. The 2025 Budget and Benchmark Engagement Summary Report issued by National Treasury as set out in **page 60 – 62** of the report be approved.
4. An amount of up to R15 million, to be funded within the Rates account, in support of the City's Charitable and Relief Allocations as per Table SA 21 as set out on page 132 be approved.
5. The Budget of Mangaung Transit Pty Ltd (known as Hauweng Bus Services), **Annexure P** be approved.
6. The template A3 that is related to Water and Sanitation Trading Services Reforms, **Annexure Q** be approved.
7. That Council should note that Entity's due diligence exercise is underway that will inform the Definitive Agreement is being finalised and will be presented to Council and the Board of CENTLEC by no later than 30 June 2025.
8. That the CENTLEC (Pty) Ltd budget submissions for the period 2025/26 – 2027/28 be approved as set out below, subject to the limitation of 3.7 above:
9. That the city is not taking up any long-term loans for 2025/26 MTREF.

SUBMITTED BY:

Z THEKISHO
CHIEF FINANCIAL OFFICER

RECOMMENDED BY:

S MORE
CITY MANAGER

APPROVED BY

G NTHATISI
EXECUTIVE MAYOR



PART B

3. THE EXECUTIVE SUMMARY:

3.1 Introduction

The city has made headwinds in stabilising governance and service delivery, though still grappling in as far as staying within the budget maximum allocations, even though the Financial Recovery Plan recommends that the city, in improving its liquidity and sustainability, must align its expenditure with the cash flow projections of about 75% of the revenue. There are positives coming from the efforts that are being made. Most of financial challenges are internal with external factors being in as far as collection is concerned, and as such, more controls need to be put in place. It is for this reason we believe that, in as far as financial management is concerned, the city is still on the rescue phase of the Financial Recovery, and the reduction of unauthorised expenditure, improved billing and collection, spending capital budget and reducing unaccounted for and non-revenue water remain critical in this MTREF, more so, that the city has adopted the Water Trading Services Reforms (WTSR).

Since the beginning of the term of this 5th Administration, focus has been placed on informal settlements upgrade, to an extent that 16 informal settlements had been upgraded since 2016, and in this new term, 17 additional, are being developed, and are now currently on Phase 3 of development, which is installation of civil services of water and sanitation. It is for this reason that most of the CAPEX goes towards Water and Sanitation.

Trading services remains at the centre. As much as we must provide quality services, it is equally important to qualify that to further say, “in a sustainable manner”, which makes it clear that these services must be provided to an extent that the city will continue providing the service in the foreseeable future. For the longest time, municipalities had been providing these services at affordable rates, not necessarily at cost recovery, all municipalities are forced to re-look at their tariff structure, analyse the costs associated to provide the service, and thus aim to recover the costs and still be able to build on reserves for infrastructure re-investment.

Security of water is critical as well as reliable sources of supply. With various cities announcing day-zero, water is a non-elastic commodity, it just recycles from one form to the other, hence the city is focusing on water-re-use. Water is purchased, purified, distributed for consumption and for sanitation services. Sanitation treats sewer which releases the same water originally bought and distributed, only to be collected as grey water, the re-use projects captures the grey water and collects it back to water treatment, which will drastically impact on the costs of bulk.

Maselspoort itself requires refurbishment for it to operate optimally, and all hands are on deck, the budget shows that this project is key for water security throughout all seasons. Linked to this is the Gariep Pipeline Water Augmentation which is currently implemented by DWS and Vaal central, we are an important stakeholder, and this project is the city's brainchild for the reasons that water scarcity was projected as early as 2013. As it is, the Maselspoort has design capacity of 110 ML per day, currently operating at 18-40 ML at best against the daily demand of 120-140 ML, hence the focus.

Description	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousands										
Financial Performance										
Property rates	1 387 795	1 508 845	1 448 159	1 654 053	1 654 053	1 654 053	1 424 036	1 744 100	1 840 810	1 905 699
Service charges	4 486 855	4 784 065	5 256 285	6 340 977	6 472 937	6 472 937	4 831 845	6 854 443	7 309 736	7 855 737
Investment revenue	18 214	62 163	79 386	78 241	78 241	78 241	81 183	87 518	85 773	83 875
Transfer and subsidies - Operational	877 604	986 537	1 235 678	1 275 488	1 300 047	1 300 047	1 195 591	1 361 141	1 405 025	1 476 880
Other own revenue	934 530	1 044 089	1 435 725	1 311 366	1 537 072	1 537 072	1 288 374	1 593 384	1 606 288	1 552 926
Total Revenue (excluding capital transfers and contributions)	7 704 998	8 385 699	9 455 233	10 660 125	11 042 350	11 042 350	8 821 029	11 640 587	12 247 632	12 875 117
Employee costs	2 244 582	2 223 632	2 461 979	2 513 360	2 495 954	2 495 954	2 201 013	2 655 658	2 725 232	2 835 079
Remuneration of councillors	67 895	69 434	74 552	79 728	78 428	78 428	65 111	83 728	88 124	91 649
Depreciation and amortisation	906 729	885 335	853 274	420 694	674 788	674 788	663 642	752 070	857 195	894 454
Interest	115 415	178 458	141 329	27 072	27 072	27 072	45 607	12 723	2 605	62
Inventory consumed and bulk purchases	2 792 096	3 142 937	4 083 745	3 211 258	3 444 258	3 444 258	3 369 961	3 692 720	3 886 500	4 113 448
Transfers and subsidies	7 244	—	4 992	361	361	361	—	15 000	—	—
Other expenditure	3 428 153	2 899 752	3 173 876	3 382 180	3 704 559	3 704 559	3 117 971	3 942 987	3 995 651	4 128 513
Total Expenditure	9 562 114	9 399 547	10 793 747	9 634 653	10 425 420	10 425 420	9 463 305	11 154 887	11 555 308	12 063 205
Surplus/(Deficit)	(1 857 116)	(1 013 848)	(1 338 514)	1 025 472	616 930	616 930	(642 276)	485 700	692 325	811 911
Transfers and subsidies - capital (monetary allocations)	915 188	825 524	606 718	1 034 842	787 369	787 369	398 534	1 017 011	1 029 138	1 071 665
Transfers and subsidies - capital (in-kind)	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	(941 929)	(188 324)	(731 795)	2 060 314	1 404 299	1 404 299	(243 742)	1 502 711	1 721 463	1 883 577
Share of Surplus/Deficit attributable to Associate	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year	(941 929)	(188 324)	(731 795)	2 060 314	1 404 299	1 404 299	(243 742)	1 502 711	1 721 463	1 883 577
Capital expenditure & funds sources										
Capital expenditure	853 607	695 210	574 971	1 339 880	1 140 830	1 140 830	449 036	1 343 987	1 318 567	1 328 045
Transfers recognised - capital	667 471	572 820	480 038	1 033 284	785 811	785 811	311 650	1 015 269	1 027 317	1 069 799
Borrowing	37 225	12 220	—	—	—	—	—	—	—	—
Internally generated funds	148 911	110 170	94 933	306 597	355 019	355 019	137 386	328 719	291 249	258 246
Total sources of capital funds	853 607	695 210	574 971	1 339 880	1 140 830	1 140 830	449 036	1 343 987	1 318 567	1 328 045
Financial position										
Total current assets	9 137 798	8 528 246	8 338 907	5 448 223	5 448 223	5 448 223	8 550 099	4 663 324	6 203 700	8 025 038
Total non current assets	22 398 724	21 749 145	21 864 501	22 465 146	22 266 095	22 266 095	21 759 624	22 120 558	22 889 909	23 760 540
Total current liabilities	11 139 130	10 748 178	10 969 782	2 518 116	2 518 116	2 518 116	9 992 321	3 601 695	3 941 090	4 544 571
Total non current liabilities	2 564 619	2 470 607	2 606 627	1 958 998	1 958 998	1 958 998	2 913 126	2 037 317	1 880 589	1 895 010
Community wealth/Equity	17 591 692	16 804 446	16 177 560	22 713 996	22 563 580	22 563 580	16 214 504	21 144 870	23 271 937	25 346 011
Cash flows										
Net cash from (used) operating	4 183 116	4 329 269	7 151 567	2 099 501	2 099 501	2 099 501	8 980 284	2 026 525	2 898 526	3 565 995
Net cash from (used) investing	(853 718)	(691 950)	(525 894)	(1 329 814)	(1 329 981)	(1 329 981)	(438 861)	(1 333 652)	(1 307 766)	(1 316 975)
Net cash from (used) financing	(63 259)	(206 337)	(164 549)	(92 996)	(92 996)	(92 996)	(127 604)	(104 661)	(51 981)	4 317
Cash/cash equivalents at the year end	3 727 535	4 171 516	7 172 269	1 387 853	1 387 686	1 387 686	8 413 820	1 083 073	2 621 851	4 875 188
Cash backing/surplus reconciliation										
Cash and investments available	1 571 937	711 305	(170 011)	1 453 363	1 453 363	1 453 363	30 635	1 083 073	2 621 851	4 875 188
Application of cash and investments	6 041 435	5 194 251	4 702 121	1 120 538	1 134 141	1 134 141	4 819 975	898 989	1 136 015	2 042 121
Balance - surplus (shortfall)	(4 469 498)	(4 482 946)	(4 872 132)	332 825	319 222	319 222	(4 789 340)	184 083	1 485 836	2 833 068
Asset management										
Asset register summary (WDV)	19 062 073	18 428 878	18 492 905	22 408 058	22 209 007	22 209 007	—	21 785 742	22 454 682	23 238 291
Depreciation	906 729	885 335	853 274	420 694	674 788	674 788	—	752 070	857 195	894 454
Renewal and Upgrading of Existing Assets	199 926	100 333	161 322	268 992	329 568	329 568	—	524 689	536 723	541 239
Repairs and Maintenance	626 973	568 946	595 452	543 148	599 281	599 281	—	632 126	627 655	654 743
Free services										
Cost of Free Basic Services provided	401 869	811 477	442 953	881 739	881 739	881 739	—	1 034 071	1 117 865	1 202 632
Revenue cost of free services provided	136 294	216 205	234 579	219 666	219 666	219 666	—	231 625	244 468	253 086
Households below minimum service level										
Water:	—	—	—	—	—	—	—	—	—	—
Sanitation/sewerage:	—	—	—	—	—	—	—	—	—	—
Energy:	—	—	—	—	—	—	—	—	—	—
Refuse:	—	—	—	—	—	—	—	—	—	—

The city has high vacancy rate and focus is on increasing productivity and reduction of idle time of employees which results in fruitless and wasteful expenditure. As much as the high vacancy rate is reported, the actual employee costs are sky-high. This may be caused by imbalances between remuneration system in use versus value derived and what the city can afford and an ambitious organogram, that if all things remain unchanged, the city is spending higher than the norm of employee costs to revenue. This issue is being attended to.

The unaccounted for water and non-revenue water cannot be emphasized enough, as well as investigations on various options to operate sewer plants located within the wards in Naledi and Thaba-Nchu and Botshabelo as the future dictates a worse off condition if we don't start today. The city operates treatment works of 154 ML per day, with Bloemspruit being the largest, plus medium sized plants of 20 ML per day and various other with less than 5 ML per day.

The city hosted a Property indaba, followed by Infrastructure Indabas, which were build up events to the Inaugural Investment Summit under the theme “**Towards Inclusive Growth**”. The summit entailed destination marketing, promotion of available opportunities, the incentive policy and ahead of the summit, the city issued an Expression of Interest which closed on 7 March 2025, and more proposals are still being received. It is important to highlight at the beginning of the Budget Statement, that these are highlighted as follows:

1. Hillside View
2. Vista Park Extension 2
3. Vista Park Extension 3
4. Brandkop 702
5. Cecilia Park
6. Brandkop Racetrack
7. Airport Development Node
8. Estoire Development
9. Caleb Motshabi
10. Lourierpark
11. Thaba Nchu- Botshabelo Development Node

The City Manager has appointed a panel that will be evaluating the EOI received, to make recommendations to the Bid Evaluation Committee which will in terms, request financial offers from the EOI that are aligned with the vision of the summit which stated that “**Towards Inclusive Growth**”. This process will end with recommendations to the Bid Adjudication Committee, making recommendations to appoint or award to the City Manager. This process is set to conclude by 31 May 2025.

The Executive Mayor will make announcements as such at the occasion of Approval of the Budget and State of the City Address.

3.2 Key Issues of the Budget

As mentioned that the city is still under national intervention and is currently implementing the Financial Recovery Plan, there are underlying issues that are impacting on the budget and these will be alluded to below:

3.2.1 Financial health pressures:

The city is experiencing challenges in budgeting for repairs and maintenance. The infrastructure is ageing, as a result, more funds are required to refurbish and upgrade whilst planning for the replacement of assets that will run out of their economic life. Maintenance budget shortfalls lead to deferred maintenance which threatens availability of the unit for service delivery in future years.

The debtors book remains a threat to liquidity of the city and service delivery. Practical strategies must be sought such as increase the number of prepaid meters, but this must be supported by an impeccable vending system with customer portal to view and make purchases of units, thus ensuring buy-in and confidence in the system as a whole.

With limited reserves due to lower collection rate, the city’s capital contribution reserves are not sufficient towards the required infrastructure re-investment, under the backdrop that the city’s network is ageing. As such, the city is grant dependent in implementing its infrastructure investment, to an extent that, over 75% of Capital Funding is coming from conditional grants.

Due to competing needs, the city is not spending adequately on services backlogs and revenue generating assets. The grants conditions need to met, thus dictating on what funds can be spent on. The backlogs that are being attended to currently relates upgrading of informal settlements to Phase 3 at least, ready for service.

The city has high vacancy rate at middle management causing incurrence of acting allowances and below this level, high vacancy rates lead to overtime. A list of critical vacancies is being compiled to ensure that it is a process that is well managed. The council resolution of May 2023 – on filling of vacancies is still valid, however, a new annexure will add to the already adopted list.

The city's revenue is exposed to possible losses, from billing point of view, theft, meter bypasses and illegal connections. Not only is the revenue not protected, but there is no adopted revenue enhancement strategy, safe to say, there is revenue war-room that is looking at alternative revenue sources and how collection can be improved. Time has come that these strategies are well defined, assigned to capable HoDs, and also consider revenue diversification.

There are tendencies of entering into onerous contracts, with some contracts becoming evergreen with no clear end date nor deliverables and milestones. An effort has been made to split security expenses across the various functions to ensure that such costs are recovered from the tariff than all from rates and taxes which cannot absorb all the costs.

Though financial recovery plan is in implementation and reported on monthly and quarterly FRP War Rooms held, the implementation remains desktop and not action based and management is now rigorously bringing closer the submission of portfolio of evidence and commitments, as the reasons that led to financial distress are continuing unabated, and financial and budget controls will be implemented and accountability will be the order of the day.

3.2.2 Service delivery pressures:

The FRP identified absence of Services, Infrastructure and Network Masterplan and these had since been prioritised. As at the date of tabling no masterplan has been concluded. This hinders the development of Capital Investment Plan, thus making budget prioritisation quite difficult as under these circumstances, the budget will focus on know crisis issues in each function, thus taking away futuristic planning and provisioning for growth and development.

Water resource sustainability remains a challenge, and without a strategy replacing the Gariep Pipeline Augmentation or working with Water Board and DWS, the city is faced with a risk of dry taps every high water demand season. The Executive Mayor is leading the process in this regard. No budget has been allocated for any eventuality in the next MTREF.

Lack of integrated infrastructure and implementation: There is a need review the master plan which will inform the long-term Capital Investment Plan.

With collection rate of 78-80% on average, a provision of 20-22%, there is little left for capital replacement reserve, maintenance and service delivery needs such as plant and equipment. This is exacerbated by continued unauthorised expenditure with impunity. Consequence Management has become not only a talk-shop but a need to restore the glory of the city and capacity to create and fund its own assets.

3.2.3 Institutional pressures:

The city requires to start building and developing its own institutional capacity in key directorates. Use of contractors should be a temporary measure used to address backlogs and emergence matters. Acquisition of the right equipment will be made a priority in the next MTREF to ensure that the internal capacity required is achieved. The Lack of updated SLA between entity (CENTLEC) and municipality limits use of electricity disconnections for credit control enforcement leading to growing debtors book, whilst on the other hand, CENTLEC achieves a minimum of 95% on average per annum, which is giving reasons for consolidated Credit Control Action Plan of disconnect and reconnect.

High Vaal Central Water bill and unsustainable tariff charged by the water board is threatening the ability of the city to provide and sell water at affordable prices. For the 2025/26, Vaal Central has applied for 11% increase against

inflation of 4,9% linked to projected CPIX as per NT guidelines for 2025/26 MTREF, Circular 129 and 130. This leads to unaffordable water tariffs, which requires further analysis and strategies to prevent future losses.

The city has reported a 49% water losses, at a cost of R490 million. The losses include technical losses, unaccounted for water, non-revenue water and failure to read and bill customers. The city has various residential and business areas with straight or illegal connections, with some areas being uneconomical to read, and is aiming to introduce “flat rate” consumption. Any form of billing is critical to reduce on unaccounted for water. The estimated consumption will apply for the whole year, without considering seasonal variances of consumption. Only few meters will be installed, for data analytics purposes to be used to revise the flat rate billing in future years. The policy has been amended accordingly.

3.2.4 Governance pressures:

The city has an ambitious organogram, which even though there are about 5000 active employees on the organogram, the impression of 61% vacancy rate is causing lacklustre attitude of inadequate staff. The approval of the organogram was expected in terms of the regulation to at least by 30 June 2024, to date no approval has been achieved, but it is imminent. The city is also revising its remuneration system to ensure better alignment of general employee costs with the upper limits of senior managers.

The city received a qualified audit opinion and the process of implementing the audit action is lacking a concerted effort. The city aspires to achieve a clean audit and efficiency of system and demonstration of intention and action is what is required. Implementation of staff management in line with the municipal staff regulations.

The city has 15 (fifteen) Material Irregularities notified by AGSA with progress indicated as follows:

1. An MI has been notified in 2025 with response due July 2025
2. Two MIs are on appropriate action implementation
3. Four MIs are at the level where the city must implement AGSA recommendations
4. Five MIs had been referred by AGSA to DWS for further investigations (Waste Water Treatment Works related, and landfill sites)
5. Three MIs are on remedial action, one is already referred to the Speaker for investigation with a report to be submitted by 30 June 2025
6. No MIs are at the level of issuing of certificate of debt

This city has not investigated the UIFW incurred. However, management had submitted the registers for investigation and the MPAC is gearing itself to conduct these investigations and make recommendations.

3.3 Budget Priorities for the next three years

The following are the budget priorities:

- i) That council will champion and support all strategies aimed at growing the revenue base in terms of numbers and valuation. For the first time, there will be specific targets on % growth in General Valuation Roll per category
- ii) That council will support all efforts aimed at reducing water losses and under-billing
- iii) A percentage increase in tariffs is no longer sustainable, the focus must be reduction of losses that will result in saving and release financial resources tied in the provision and actual costs of losses to fund any service delivery improvements and re-investment into the service to improve quality and affordability
- iv) That Council will support strategies aimed at the reduction of electricity consumer price by

- considering options available on renewable energy and optimal energy mix for the people of Mangaung Municipality
- v) That performance management and consequence management will be implemented blindly as it happens in courts of law when citizens seek justice, performance and consequence management must be blind for citizens to achieve more
 - vi) That council will support strategies aimed at project implementation by reviewing the existing model of Project Management and any other option and mechanisms available, emphasis is on conditional grant and borrowing funded projects
 - vii) Marketing and promotion of policies to lure citizens to pay for their municipal services

The city remains committed in improving the living conditions of the people, special focus will be given to ensuring that there is capacity and skills in the civil engineering services with clear expectations. Planned maintenance will be institutionalised to enable adequate funding. Adhoc maintenance must be based on emergencies or unforeseen circumstances or acts of God which cannot be prevented.

Various cost containment measures have been implemented of which overtime was the biggest challenge over the last few years. Overtime, which forms part of Employees cost has been capped at thirty (30) hours across most units within the municipality, whilst the Overtime policy has also been approved. The soft lock on all vacancies has been in place for more than two (2) years. The filling of critical vacancies will be prioritised and for the interim to reduce the cost of acting allowances and achieve better results.

Our collection rate is averaging between 76% and 78%, and this is not assisting the municipality to step out of the liquidity woes. The municipality needs an average of 87% collection rate, to be able to increase maintenance budget to at least 7% of the OPEX. This increase is necessary to improve the liquidity issues and dealing with accumulated creditors, a 110% collection is required. This basically means, not only should the rate payers pay their monthly bill, but those in arrears must also pay an amount between 10% and 15% per month on arrears.

To achieve this, there are various strategies agreed upon with Council including holding back of a percentage as and when customers in arrears top up their energy units. A 30% will be held from all non-indigent households and 10% will be held from all indigent households. Further to this, inactive meters that have not bought water and electricity for the last 90 days at every 25 day of the month (a report will be run on this date), such meters will be blocked and clients will be expected to provide reasons why they were not buying and such a meter will be inspected for tempering or bypass.

The audit outcomes remain negative and one of the contributing factors is weaknesses in internal controls, especially in supply chain and skills and concentration in billing. Weak internal controls lead to various issues on credibility and quality of information used to prepare and complete the financial statements. We invested time in policy and procedures review as well as internal communication with staff to boost their knowledge and practical demonstration of consequences of certain decisions taken based on limited information or undue pressure. Various contracts remain active beyond the project duration or management intention and this leads to non-compliance.

In order for the municipality to thrive, overall performance must improve, the quality of services rendered must improve, accountability must be enforced, serious consideration should be given to the service delivery and financial implications of all decisions taken, ensure that acts, regulations and policies are adhered to, enhance revenue collection and ensure that operational and capital funds are spent effectively with good value for money.

Improve on preventative maintenance and spend funds cost-effectively and efficiently to address service delivery challenges and ensure assets are maintained at desired levels and are being utilised optimally. The spending of funds will have to be prioritised, considering the cash constraints and wastage be curbed. Municipal officials should also take all reasonable steps to prevent unauthorised, irregular and fruitless and wasteful expenditure. Refrain from committing acts of financial misconduct and/or criminal offences as per Chapter 15 of the MFMA.

It is imperative that all municipal officials must have the inherent desire to do their job to the best of their ability, take pride and ownership in their work, take accountability for their job functions, doing the right thing consistently and work as a collective, cohesive team to achieve the municipality's long and short-term objectives. Foremost to all of these, have the community's best interest at heart.

3.4 Municipal Standard Chart of Accounts (mSCOA)

Improvements are ongoing on the mSCOA side. The mSCOA Steering Committee and Project Implementation Teams had been revived and we all started with the assessment of the system functionality testing to establish the completeness level in terms of the modules and business process coverage. In 2024, National Treasury conducted a system test as the municipality has been reported as non-compliant. An mSCOA Roadmap has been adopted and is now under implementation.

The mSCOA Roadmap indicates that the city will be compliant with the requirement of 7 main components of the system, and is planning to go live on all modules on 1 July 2025. By 1 July 2026, the city expects to fully adopt the 15-business processes and a fully compliant system as per MFMA Circular 80 and ICT Due Diligence as per MFMA mSCOA Circular 5.

3.5 Alignment of votes to the Municipal Standard Classification

The city has an approved organogram that was adopted in May 2015, which is currently in place. Since the inauguration of Councillors for the current term of office that is set to end immediately after the pronouncement of the Local Government Elections 2026, the current organogram was set to be reviewed in terms of the Staff Establishment Regulations of 2022 which requires that after inauguration, the council needs to adopt the new IDP as well as an organogram necessary to deliver on the set objectives of the term. The process of review is still underway.

The National Treasury on the other hand, promulgated Trading Services Reforms for focusing on water, sanitation, electricity and refuse removal. Since the electricity function of the city is already assigned to CENTLEC, the entity established by council in 2009 (effective 2010), as such, water, sanitation and refuse removal are the remaining three that must be converted. The city resolved to adopt the reforms for water and sanitation that had led to the establishment of the new vote, in terms of the municipal standards classification.

The establishment of Water and Sanitation Vote has taken away from the existing Technical Services Department, which as a result that from 1 July 2025, only roads and stormwater will be left under technical services. It is for this reason that the Mayoral Committee recommends to council to rename technical services to Roads and Transport Department to cover the mandate of the city in terms of the Constitution of the republic Schedule 4 (b) Municipal Public Transport, Municipal Public Works and Stormwater Management systems in built-up areas. All these activities are aimed at facilitating public mobility of pedestrians, people in general and engine propelled transport.

Additional, council has resolved to split the directorate of Planning, Human Settlements, Economic and Rural development, into two directorates, that of Planning and Human Settlements and Economic and Rural Development. The city therefore in terms of Municipal Standard Classification will have the following votes and directorates with effect from 1 July 2025:

- Executive and Council:
- Municipal General:
- City Manager:
- Financial Services:
- Corporate Services:
- Community Services
- Public Safety and Security

- Economic and Rural Development
- Municipal Planning and Human Settlements:
- Water and Sanitation:
- Roads and Transport:

Though the above shows that there are no HoDs for four departments, the city has two HoD that may be assigned to the new departments that had been established. Therefore the revenue and expenditure will be derived and appropriated according to the classification above, which will also inform the macro organisational structure underway.

To implement mSCOA and ensuring that there is an alignment between the Municipal Standard Classification and cost centres making up the votes, it became important to align these to have a more accurate reporting system that will assist Heads of Departments in managing the budgets allocated and placed under their purview.

3.6 The Budget Overview

The IDP Review and Budget Cycle takes place under difficult conditions where in terms of the audit outcomes of the predetermined objectives, the city achieved 52% of the objectives set at 112% of the budget.

This report aims to table the Operational Revenue, Operational Expenditure and Capital Expenditure Framework for the 2025/26 MTREF covering a three-year period, with 2025/26 as the base year. The operational revenue framework details out revenue sources and projections per source for the next three years. Each projection is based on previous years audited actuals, year to date budget and actuals as well as growth prospects and general increases as informed by inflation and estimated cost of service delivery, management and administration.

The operational expenditure framework reflects all expenditure related to service delivery, management, administration and costs of running the municipality. Included in the operational expenditure is the portion of revenue anticipated not to be collected, and as such gives rise to provision for bad debts and write offs to take place in the year. The provision for bad debts ensures that the municipality's spending is aligned to the collection rather than billed, as this will result in an unfunded and unrealistic budget.

The capital expenditure framework details out infrastructure investment, either new, upgrades or refurbishment. Capital budget is presented per project and allocated funds. It is therefore expected that spending on projects will align to the allocations, and any changes are tantamount to an adjustment or else the expenditure above allocation as per approved budget will be unauthorised. Whilst on this point, the municipality has developed a procedure outlining the principle of variation orders, contingencies and approval thereof. Guidance has been sought from National Treasury of MFMA Circular 62 as this seem to having been intended to address MFMA Section 116 on scope or contract amendment.

The city's budget is funded from the combination of gazetted grants and own funds generated from tariffs, rates and taxes. On the operational budget, 12% of the sources of funds are received from national fiscus in the form of Equitable Share and 88% from own funds, whilst the capital budget is 75% funded from conditional grants and 25% from internally generated funds that are not encumbered to any program or activity as at 30 June of the year preceding start of the MTREF. The table below indicates the funding envelope available for the 2025/26 MTREF.

The following provisional indicative growth rates and parameters were issued to directorates for compiling their operating budgets and tariffs.

The budget parameters were developed after the approval of the IDP/Budget Process Plan and issued to the departments to kick start the planning process in December 2024. The budget parameters are influenced amongst others by the following:

- MFMA Circular 129 & 130
- The final adjustment budget of the 2024/25
- The audited financial of 30 June 2024

The following provisional indicative growth rate was issued to departments for compiling their operating budget and tariffs proposals:

Based on the scenario as outlined above it is proposed that the growth in the operating budget should be curbed on average at the following rates:

REVENUE	BUDGET PARAMETERS		
	2025/26	2026/27	2027/28
GRANT FUNDING			
EQUITABLE SHARE	R 1 197 582 000	R 1 271 840 000	R 1 329 354 000
INFORMAL SETTLEMENT UPGRADING PARTNERSHIP GRANT	R 315 531 000	R 329 986 000	R 344 908 000
URBAN SETTLEMENT DEVELOPMENT GRANT (USDG)	R 554 277 000	R 579 582 000	R 605 791 000
URBAN SETTLEMENT FINANCING GRANT (USFG)	R 48 396 000	R 37 000 000	R 38 600 000
PROGRAMME AND PROJECT SUPPORT GRANT	R -	R -	R -
PUBLIC TRANSPORT NETWORK GRANT	R 235 430 000	R 192 582 000	R 206 195 000
FINANCIAL MANAGEMENT GRANT	R 2 000 000	R 2 000 000	R 2 000 000
EXPANDED PUBLIC WORKS PROGRAMME (EPWP)	R 1 524 000	R -	R -
NEIGHBOURHOOD DEV PART GRANT	R -	R -	R -
FS ARTS AND CULTURE COUNCIL (LIBRARIES)	R 4 000 000	R 4 000 000	R 4 000 000
FUEL LEVY	R 427 562 000	R 414 732 000	R 399 600 000
NATIONAL SKILLS FUND	R 3 171 246	R -	R -
GENERAL TARIFFS	4,40%	4,50%	2,50%
OTHER REVENUE	4,40%	4,50%	2,50%
SERVICE CHARGES			
PROPERTY RATES	4,40%	4,50%	2,50%
ELECTRICITY	12,70%	5,36%	6,19%
SERVICE CHARGES WATER	11%	11%	11%
SERVICE CHARGES SANITATION	4,40%	4,50%	2,50%
SERVICE CHARGES REFUSE	4,40%	4,50%	2,50%
GROWTH RATE	1%	1%	1%

The table below presents the consolidated overview of 2025/26 MTREF.

Budget Overview Table

MAN Mangaung - Table A1 Consolidated Budget Summary

Description	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousands										
Financial Performance										
Property rates	1 387 795	1 508 845	1 448 159	1 654 053	1 654 053	1 654 053	1 424 036	1 744 100	1 840 810	1 905 699
Service charges	4 486 855	4 784 065	5 256 285	6 340 977	6 472 937	6 472 937	4 831 845	6 854 443	7 309 736	7 855 737
Investment revenue	18 214	62 163	79 386	78 241	78 241	78 241	81 183	87 518	85 773	83 875
Transfer and subsidies - Operational	877 604	986 537	1 235 678	1 275 488	1 300 047	1 300 047	1 195 591	1 361 141	1 405 025	1 476 880
Other own revenue	934 530	1 044 089	1 435 725	1 311 366	1 537 072	1 537 072	1 288 374	1 593 384	1 606 288	1 552 926
Total Revenue (excluding capital transfers and contributions)	7 704 998	8 385 699	9 455 233	10 660 125	11 042 350	11 042 350	8 821 029	11 640 587	12 247 632	12 875 117
Employee costs	2 244 582	2 223 632	2 461 979	2 513 360	2 495 954	2 495 954	2 201 013	2 655 658	2 725 232	2 835 079
Remuneration of councillors	67 895	69 434	74 552	79 728	78 428	78 428	65 111	83 728	88 124	91 649
Depreciation and amortisation	906 729	885 335	853 274	420 694	674 788	674 788	663 642	752 070	857 195	894 454
Interest	115 415	178 458	141 329	27 072	27 072	27 072	45 607	12 723	2 605	62
Inventory consumed and bulk purchases	2 792 096	3 142 937	4 083 745	3 211 258	3 444 258	3 444 258	3 369 961	3 692 720	3 886 500	4 113 448
Transfers and subsidies	7 244	—	4 992	361	361	361	—	15 000	—	—
Other expenditure	3 428 153	2 899 752	3 173 876	3 382 180	3 704 559	3 704 559	3 117 971	3 942 987	3 995 651	4 128 513
Total Expenditure	9 562 114	9 399 547	10 793 747	9 634 653	10 425 420	10 425 420	9 463 305	11 154 887	11 555 308	12 063 205
Surplus/(Deficit)	(1 857 116)	(1 013 848)	(1 338 514)	1 025 472	616 930	616 930	(642 276)	485 700	692 325	811 911
Transfers and subsidies - capital (monetary allocations)	915 188	825 524	606 718	1 034 842	787 369	787 369	398 534	1 017 011	1 029 138	1 071 665
Transfers and subsidies - capital (in-kind)	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	(941 929)	(188 324)	(731 795)	2 060 314	1 404 299	1 404 299	(243 742)	1 502 711	1 721 463	1 883 577
Share of Surplus/Deficit attributable to Associate	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year	(941 929)	(188 324)	(731 795)	2 060 314	1 404 299	1 404 299	(243 742)	1 502 711	1 721 463	1 883 577

3.7 Overview of budget assumptions

The city's budget has been developed with the understanding that the city is under financial recovery which is currently in progress. It is expected that the FRP adopted by council should be fully implemented and benefitting from the results from start state of implementation, up to closing out of the implementation, anticipated to take place by the 31st of December 2026.

The city of Mangaung boasts of being centrally located in the country and is currently busy with the exploitation of this advantage in various ways but including tourism, manufacturing and logistics hub. Mangaung is the largest region of Free State Province and is accounting for about 4.7% of GDP of the province as well as 27.22% of the population.

The city has a Valuation Roll estimated in excess R130 billion being comprised of various property categories as the Municipal Property Rates Act of 2004 as amended and this serves as the baseline for all revenue projections for the 2025/26 MTREF. The investment summit outcomes declared the city as an investment destination and opened the doors to investors in the form of Expression of Interest that closed on the 7th of March 2025. Two of the seven (7) precincts already approved by council should reach a sod turning point by 1 July 2026 at the earliest.

CATEGORY	MARKET VALUE	TARIFF PER CATEGORY	CALCULATED RATES
AGRICULTURAL	8 365 780 680	0,002651	R 22 177 685
BUSINESS	18 374 067 110	0,036056	R 662 495 364
EXEMPTED	11 505 387 470	0,00	R 0
GOVERNMENT	10 189 370 210	0,036056	R 367 387 933
PSI	117 361 220	0,002651	R 311 125
RESIDENTIAL	82 002 514 090	0,01062	R 870 866 700
GRAND TOTAL	130 554 480 780		R 1 923 238 807

The budget has made assumptions that the city will grow by 1% in terms of demand for services. This growth is not based on new entrances into the billing system but informed by changes in family and business operational dynamics.

The main economic drivers in the city are **finance and services economy** as it also hosts the provincial legislature, the city's head office as well as regional offices of various national departments.

The city has made assumptions that the end-users of municipal services will continue demanding the service at the same rate as they did in the 2023/24 financial year and as indicated by year to date consumption (2024/25). In as far as losses are concerned, the city will be implementing various projects with the aim of reducing water losses. The reported percentage of water lost is 49% and the target in terms of the SDBIP for 2024/25 is 42%. The city is also embarking on a journey of reducing non-revenue water and is in partnership with DBSA in this regard. The role of DBSA is the development of the Business Plan that will inform the required funding to resolve these over the next medium to long term period.

The city has resolved and council has made a resolution in 2015 to provide water on prepaid metering. The Finance Directorate has reverted to the resolution and as such, assumptions for the collection rate are based on the replacement of meters of about 60 000 of those wishing to upgrade and those who are indebted with no payment to the city in lieu of the account in the last six months with a cut-off date of 31 March 2025. This is also linked to the holding of portion of the amount tendered for prepaid purchases from CENTLEC Prepaid Electricity in lieu of debt owed in respect of rates, water, sanitation and refuse removal.

Management will still keep a single billing point and invoicing, cashier services, credit control and debt collection, except for Meter Reading Function that will be transferred to Water and Sanitation. No changes in the revenue projections and collection rate for the two services.

EXPENDITURE	BUDGET PARAMETERS		
	2024/25	2025/26	2026/27
AVERAGE CPI INFLATION RATE	4.90%	4.60%	4.50%
SALARIES AND ALLOWANCES	4.90%	4.60%	4.50%
GENERAL EXPENDITURE	4.90%	4.60%	4.50%
REPAIRS AND MAINTENANCE	6%	6%	6%
CONTRACTED SERVICES	4.90%	4.60%	4.50%
OTHER EXPENDITURE	4.90%	4.60%	4.50%
DEBT IMPAIRMENT	R 1,258,320,302	R 1,316,203,036	R 1,375,432,172
DEPRECIATION	R 327,193,778	R 359,913,156	R 395,904,471
BULK PURCHASES - WATER	R 960,000,000	R 1,004,160,000	R 1,049,347,200
FINANCE CHARGES	R 27,015,890	R 12,665,010	R 2,544,731

National and Provincial influences including taking cognisance of the MFMA circulars No 50; 72 ,86 and 98.

3.8 Economic Indicators

Mangaung has a diverse and resilient economy, with strong sectors such as finance, trade, manufacturing, government, education, creative arts, and mining. The municipality contributes on average close to 40% to the provincial GDP and 2% to the national GDP. Mangaung also faces high levels of poverty, unemployment, inequality, and social ills.

Mangaung also faces high levels of poverty, unemployment, inequality, and social ills. The unemployment rate is 30,5 % as of June 2024.

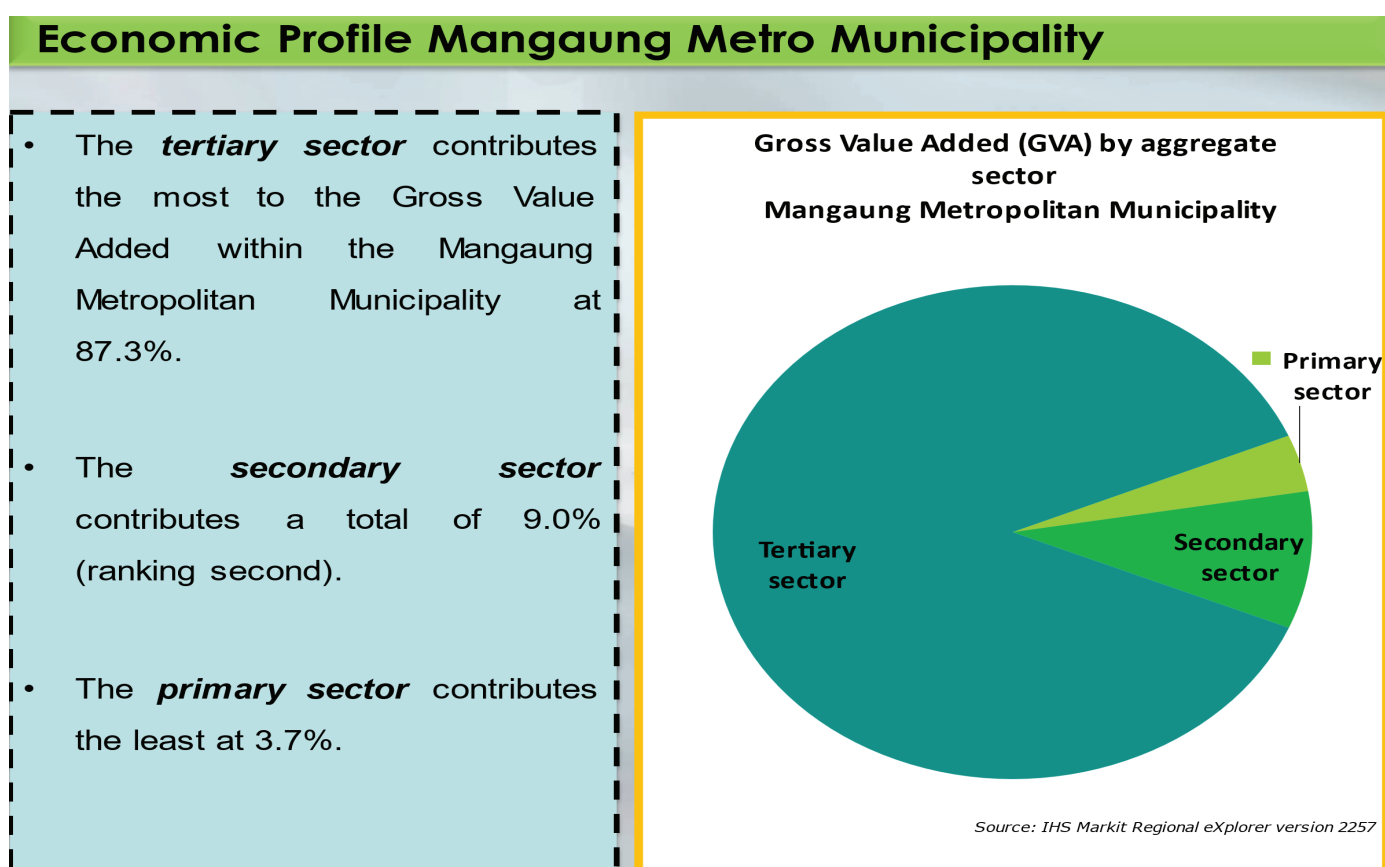
The Gini coefficient, which measures income inequality, is 0.62 (2022 figures), which is higher than the national average of 0.58. The municipality also experiences adverse rates of crime, violence, substance abuse, teenage pregnancy, HIV/ AIDS, and TB.

The Mangaung Metro has been characterised as a dual economy because of its rural and urban economic set up. It is important to recognize this rural-urban interdependency and the need for a more comprehensive, integrated approach to rural and urban economic development. Encouraging the rural-urban linkages will result in the development of whole space economies. The Metro has historically and continues to benefit from mining, manufacturing and agricultural activities, with the contribution towards Gross Regional Domestic Product ("GRDP") declining, and a more recent shift

towards financial, business and trade service sectors. The Metro is also an important administrative centre, hosting most of the government departments and the seat of the Provincial Government.

Mangaung Metro Municipality is the largest contributor to the GDP in the province. The GDP in the Metro has showed growth over the 10 years, however in 2020 the GDP had a negative growth rate, indicating that it suffered more than the Free State from the impacts of COVID-19. Key economic sectors such as agriculture and trade were hard hit. Economic recovery strategies will need to be sector specific and tailored to the specific needs of the Metro, looking at local economic development on in a holistic manner.

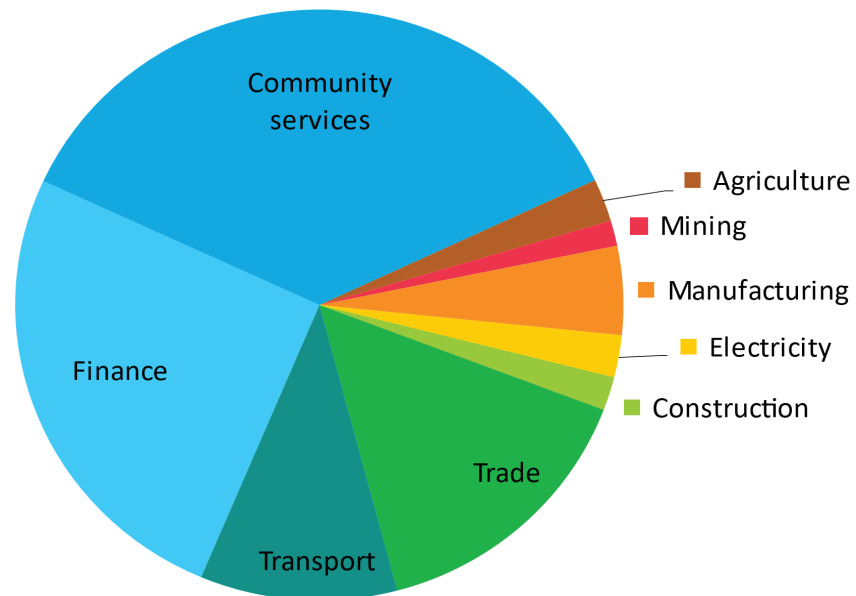
Poor infrastructure such as ICT, and service delivery, along with water and electricity cuts render the Metro an unattractive environment private sector investment to improve local economic development and the GVA. Even though the Metro has a competitive advantage in the community services sector and agricultural, lack of private sector investment coupled with a shortage of skilled workers stifles economic growth. In terms of employment, the economy of Mangaung Metropolitan Municipality holds an estimated 270,389 workers (job opportunities) of which about 13,051 (5%) are in the Primary Sector, 36,511 (14%) in the Secondary Sector and 220,826 (82%) in the Tertiary Sector.



Community services, trade, and agriculture are the main contributors to the GVA. Electricity and manufacturing contribute the least. Community Services (29%) and Trade (22%) are the largest contributors to employment, followed by Finance (14%) and Households (12%). Construction (7%) and Manufacturing (6%) are the largest contributors in the Secondary Sector while Agriculture contributes about 3% of all job opportunities in the Metropolitan area. The estimated unemployment rate (2018) stands at approximately 27,1% which is about 1,8 percentage points higher than the 25,3% recorded in 2011. The Mangaung Metropolitan Municipality unemployment rate is in line with the national average but slightly less than the average for Free State Province.

Economic Profile Mangaung Metro Municipality

Gross Value Added (GVA) by broad economic sector Mangaung Metropolitan Municipality



4. OPERATING REVENUE FRAMEWORK

For the Mangaung Metropolitan Municipality to continue with its quality service provision there is a need to generate the required revenue. The municipality is in the process of reviewing the revenue enhancement strategy. The following will form part of the strategy:

- National Treasury's guidelines and macro-economic policy.
- Projected city growth and continued economic development.
- Realistic revenue management, which provides for the achievement of the collection rate target.
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA).
- Setting of trading services' user charges at levels which are reflective of these services' cost recovering nature.
- The municipality's Property Rates Act Policy approved in terms of the Municipal Property Rates Act, 2004 (Act No 6 of 2004) (MPRA).
- The municipality's policies to assist the poor in rendering of free basic services.
- Sundry Tariffs policies and
- Efficiency in rendering services and cost containment measures.

The consolidated revenue for the MTREF budget is projected at R11,64 billion in 2025/26 excluding capital grants (R11,04 billion in 2024/25), representing an increase in revenue of R598,24 million (5,42%) on the 2024/25 adjustment budget. The projection for the outer two years of the MTREF period is R11,25 billion and R12,88 billion respectively.

In the operational budget, and in boosting the revenue of the city, the following are the key projects to be delivered during the 2025/28 period. Budget has been provided accordingly:

- Billing Data Purification
- Improved water revenue billing by improving meter management
- Prepaid metering and collection rate

- Non-revenue water reduction action plan
- Introduction of flat rate for billing in areas where there are no meters and is declared economical in efficient to install and read meters

The municipality generates revenue from exchange and non-exchange transactions. Exchange transactions are instances where there is a transaction concluded at arms-length based on measured consumption as well as a result of existing service agreements. Revenue from non-exchange transactions is revenue derived from taxes as well as grants and subsidies received. Revenue from exchange and non-exchange transactions are an indicator of the source of that revenue.

Revenue generated from operations is utilised to effectively run the institution, cover the costs of compensation of employees, operation and maintenance of infrastructure, servicing of municipal debt acquired as long-term borrowings, the costs of bulk water and electricity and all other operational expenditure.

During the budget process, all tariffs had been revised to ensure that they are relevant and easy to implement. The municipality generates income from various sources such as exchange and non-exchange transactions. Revenue from exchange transactions is generated mainly from trading services. The municipality has adopted a consolidated billing system for both exchange and non-exchange transactions for municipal services. Billing therefore is done systematically based on fixed monthly tariffs for services as well as consumption-based billing for metered services. And as far as possible, all other services like hiring of halls, building plans are rendered on a cash basis.

It should be noted that the municipality has maintained a consistent contribution ratio for each source, thus a reflection of a very structured process of tariff determination and price increases.

4.1 Revenue by Source

The municipality's revenue is determined by tariff packages which are not only considered affordable to the ratepayers and users, but are deemed to be fair, equitable and realistic, and this is assessed in the context of having acknowledged those who cannot afford or have means to pay, the indigent households.

The operating revenue framework is informed by the following:

- National Treasury guidelines on macro-economic policy
- Projected growth and growth in demand for services
- Realistic projections of revenue and collection thereof, as well as strategies for debtor's management
- Electricity tariff increases as informed by NERSA guidelines
- Determination of tariffs for trading services in a cost reflective and a cost recovery manner
- The municipality's property rates policy as approved by Council

Table A4 of the Budget Schedules indicates the revenue by source. As can be seen in the table, electricity sales and property rates remain the major revenue source for the municipality. Revenue protection and enhancement remains at the core of our heart. Collection therefore remains critical within the context of the prevailing economic conditions of poverty, unemployment and job losses and the level of indigency in our localities.

MAN Mangaung - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1										
Revenue											
Exchange Revenue											
Service charges - Electricity	2	2 876 406	2 995 230	3 281 396	4 145 552	4 277 512	4 277 512	2 918 668	4 419 517	4 700 405	5 037 854
Service charges - Water	2	1 059 678	1 145 911	1 316 838	1 439 110	1 439 110	1 439 110	1 295 585	1 645 063	1 775 670	1 954 835
Service charges - Waste Water Management	2	400 574	473 541	475 634	558 604	558 604	558 604	458 582	589 015	621 676	643 590
Service charges - Waste Management	2	150 197	169 383	182 417	197 710	197 710	197 710	159 010	200 849	211 986	219 458
Sale of Goods and Rendering of Services		34 263	33 006	38 143	67 527	70 464	70 464	50 058	67 108	107 941	216 423
Agency services											
Interest											
Interest earned from Receivables		280 313	446 858	575 221	514 053	595 131	595 131	533 918	618 133	602 517	586 685
Interest earned from Current and Non Current Assets		18 214	62 163	79 386	78 241	78 241	78 241	81 183	87 518	85 773	83 875
Dividends		3	12	8	12	12	12	7	10	9	9
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		49 217	48 084	54 518	48 414	48 414	48 414	36 448	47 274	49 401	50 636
Licence and permits											
Special rating levies											
Operational Revenue		366 680	59 032	36 106	42 268	55 018	55 018	29 197	43 081	45 047	46 233
Non-Exchange Revenue											
Property rates	2	1 387 795	1 508 845	1 448 159	1 654 053	1 654 053	1 654 053	1 424 036	1 744 100	1 840 810	1 905 699
Surcharges and Taxes											
Fines, penalties and forfeits		12 076	18 935	95 525	32 250	32 250	32 250	22 295	52 207	53 882	54 854
Licences or permits		1 194	1 440	1 338	1 507	1 507	1 507	1 493	1 827	1 909	1 957
Transfer and subsidies - Operational		877 604	986 537	1 235 678	1 275 488	1 300 047	1 300 047	1 195 591	1 361 141	1 405 025	1 476 880
Interest		73 192	124 636	172 226	150 408	150 408	150 408	171 273	195 462	189 598	183 910
Fuel Levy		-	363 435	405 248	443 643	443 643	443 643	443 643	427 562	414 732	399 600
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		169 018	19 993	49 142	9 900	9 900	9 900	-	10 335	10 800	11 070
Other Gains		(51 425)	(71 341)	8 250	1 385	130 325	130 325	42	130 386	130 451	1 549
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)		7 704 998	8 385 699	9 455 233	10 660 125	11 042 350	11 042 350	8 821 029	11 640 587	12 247 632	12 875 117

The table below indicated the weighted average per revenue source. It is clear that sale of electricity is the major revenue source contributing just under 38% of total revenue. It is important to note that any non-collection or non-payment or non-billing for electricity has higher impact in as far as financial health of the municipality is concerned. It is for this reason that all revenue protection measures be put in place to protect this revenue source. We are continuing to follow through on Council Resolution of 2006 May, which resolved that electricity must be sold through prepaid metering system for residential customers. The project remains ongoing and a clear project plan will be put in place to replace any credit meters that are still remaining within the residential customer category.

4.2 Proposed Tariff Increases

For the municipality to generate sufficient and required revenue to continue providing services to the people, and to cover the costs of providing such services, it became important to revise tariff charged for various services. The electricity tariff increases will be dealt with separately as a result of the Cost of Supply Study (CoSS) recently completed. In terms of NERSA guidelines, cost of supply study must be presented separately and adopted by Council and public participation must follow thereafter. The increase in tariff is based on the guidelines issued by NERSA and as notified by Eskom for bulk purchases with effect from 1 July 2025.

The proposed tariff increases in the table below are averages for services. With the history of tariffs having been above inflation for the prior years, the Budget Steering Committee recommended an inflation linked tariff for all services excluding water and electricity, where these tariffs are announced by the Regulators, with electricity regulator having announced a 12.7% for Eskom residential clients and 11,32% for Eskom municipal clients, whilst for water, the proposal received from Vaal Central that is yet to be approved by Regulator within DWS, is 11%. This has been factored into the budget assumptions as proposed.

The city has applied for 13.50% increase in electricity tariffs to NERSA, and the response is expected by or on the 30th of June 2025. The rate of increase that will be applied by the city will be as approved by NERSA.

4.2.1 History of tariffs

As per MFMA Circular 129, NT advised on the following

That as municipalities face with difficult fiscal environment and that the weak economic growth has put pressure on consumers' ability to pay for services, while transfers from national government are growing more slowly than in the past. Some municipalities have managed these challenges well, but others have fallen into financial distress and face liquidity problems. These include municipalities that are unable to meet their payment obligations to Eskom, Water Boards and other creditors. There is a need for municipalities to focus on collecting revenues owed to them and eliminate wasteful and non-core spending.

Municipalities must ensure that they render basic services, maintain their assets and clean environment. Furthermore, there must be continuous communication with the community and other stakeholders to improve the municipality's reputation. This will assist in attracting investment in the local economy which may result in reduced unemployment. Some municipalities are experiencing serious liquidity challenges. Therefore, the new leadership is advised to:

- Decisively address unfunded budgets by reducing non-priority spending and improving revenue management processes to enable collection; and
- Address service delivery failures by ensuring adequate maintenance, upgrading and renewal of existing assets to enable reliable service delivery.

It should be noted that it is easier for consumers to pay for services if they are reliable and when the environment is well maintained.

The table below presents the proposed tariffs after applying the increases that will be charged or levied to all customers of the municipality.

4.3 Service charges

The city generates revenue from service charges of water, electricity, sanitation and solid waste removal. The Tariff Policy outlines the underlying principles in determining tariffs.

4.3.1 Electricity Service Charges

The electricity revenue is projected at R4,42 billion in 2025/26 (R4,28 billion in the 2024/25 adjustment budget) representing an increase of R142,01 million (3.32%) on the 2024/25 adjustment budget. The projection for the outer two years of the MTREF period is R4,7 billion and R5,04 billion respectively.

The following factors contributed to the effective increase of 3.32% compared to the 2024/25 adjustment budget in the electricity revenue for Mangaung Metropolitan Municipality:

- The average increase in electricity tariffs by 12.72%. The city applied, based upon its electricity cost study, for 13.50% from NERSA. NERSA tariffs still to be confirmed.
- Implementation of Zero-based budgeting in line with MSCOA principles which resulted in an 10.18% effective decrease.

The following factors were considered in the determination of the increase of the tariffs by 13.50%:

- The inflation rate of 4.40% as per Circular 129 issued by National Treasury issued on the 10th of December 2024
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA)
- The average increase in electricity tariffs by 11,31% for municipalities as buyers. The city has applied for 13.50%.

The electricity tariffs have been determined to increase by average of 13.50% on average for the 2025/26 financial year and by 6.36% and 7.19% on average respectively for the two outer years.

4.3.1.1 Electricity Trading Reforms

In accordance with Guidance Notes issued by National Treasury, the city is embarking on Electricity Trading Reforms. Though it was expected that the reforms would start simultaneously with Water and Sanitation, electricity has lagged behind with the submission of the Reform Strategy and has now committed to the submission of this strategy to National Treasury by 31 July 2025 together with the roadmap that will be followed to ensure full adherence to the guidelines. As such, it is anticipated that CENTLEC will continue to be the strategy and vehicle that the city will deliver its obligation of providing safe electricity to the end users.

4.3.2 Water Service Charges

The water revenue is projected at R1,645 billion in 2025/26 (R1,439 billion in the 2024/25 adjustment budget). The projections for the outer two years of the MTREF period is R1,776 billion and R1,954 billion respectively.

The following factors contributed to the effective increase of 14.31% compared to the 2024/25 adjustment budget in the water revenue for Mangaung Metropolitan Municipality:

- The average increase in water tariffs by 11.00%.
- The growth rate of the city of 3.00%.

The following factors were considered in the determination of the increase of the tariffs by 11.00%:

- The inflation rate of 4.40% as per Circular 129 issued by National Treasury on 10th of December 2024.
- The increase in costs from Vaal Central is expected to be 11.00% for bulk water. Bulk water is the main driver in costs for water.

The water tariffs for the Mangaung Metropolitan Municipality have been determined to increase by average of 11.00% on average for the 2025/26 financial year. The City is maintaining the same step tariff structure that was introduced in the 2012/13 financial year.

The first step tariff is still the lowest compared to other Metropolitan Municipalities and is intended to benefit the indigent households as well as the residential properties. Water is regarded as a scarce commodity and the more water you use the more the consumer moves to higher tariff brackets. Nonetheless in terms of the comparison undertaken, the water charges for the City are still regarded favourable compared to other Metropolitan Municipalities.

The MFMA Circular Number 70 from National Treasury direct municipalities to recover full cost associated with the delivery of the trading services i.e. electricity, water, waste management and wastewater management. The trading services are not supposed to be cross subsidised from property rates revenue hence the tariff setting for water must consider the total cost of providing the service including the overhead costs.

The city introduced Automated Meter (AMR) and pre-paid meters in some areas of the city since 1 July 2015. Implementation of AMR and pre-paid meters will contribute to the reduction in water loss and improved collections rates. Prepaid and AMR meters will be rolled out throughout the City over the MTREF period.

In terms of the Indigent Policy the municipality is currently extending 6kl to all approved indigent households. The first 6kl of water supplied to the indigent households is funded from the equitable share in terms of National Treasury and the remaining units represent the revenue foregone. The projected revenue foregone for 72 520 indigent households' amount to R205,43 million for the 2025/26 financial year and will amount to R226,38 million and R249,70 million respectively for the two outer years of the MTREF period.

Prepaid water meters will be installed for all registered indigents to ensure that when they consume more than the allocation, that they will pay for consumption above the limit and that their water leakages can be managed effectively. Cost of Free Basic Services provided to informal settlements is projected at R243,63 million for the 2025/26 financial year and R275,83 million and R312,30 million respectively for the two outer years of the MTREF period.

Charges shall be levied in respect of each separate connection for water (as defined in the Water Supply By-laws and Credit and Debt Collection Policy of the Council). It is further noted that the tariffs effective to consumption as from 01 July 2025 and accounts as from those generated in July 2025 on a pro rata basis where applicable, will be levied.

All the tariffs are applicable to both conventional and prepaid water meters except where specifically excluded.

Where prepaid water meters are installed, a percentage in accordance with the debt collection and credit control policy of the vended amount may be deducted towards the settlement of any other outstanding debts owed by that property. This percentage may be increased to achieve the objectives as set out in the Credit Control and Debt Collection Policy.

All registered indigent account holders will be granted a total of 6 kl free basic water consumption subject to the stipulations of the Council's indigent policy.

The 6kl free basic water consumption will recovered at a rate it takes the municipality to provide the services.

In case of exceptionally high meter readings of water consumption, due to leaks from a private internal pipeline, the General Manager: Revenue Management or his nominee, may determine that the excess consumption be levied at R17.00 per kilolitre. A reduction in consumption is required as well as proof of the leak been rectified as substantiated by a plumber's invoice or affidavit from the consumer which must be submitted to the municipality. The commencement date of such period to be determined in the entire discretion of the said General Manager

Tariffs payable in respect of un-metered connections where the Water Supply By-laws of the Council do not provide an alternative method for calculating consumption or estimating consumption for purposes of interim charges: -

Any premises, including vacant stands, where Council Water Supply is available, but the supply is not directly connected to the Council's water reticulation system, the monthly minimum basic charge below maybe levied until such time that the relevant premises including vacant stands, have been connected where after the tariff sliding scale in item 3.1 will apply.

These tariffs apply to e.g. the following uses: business and commercial, industrial, state owned, mining, schools, crèches, sport clubs including sport clubs , private hostels, private hospitals and clinics, agriculture, temporary connections for building or business use.

New developers during construction phase will be charged at the business tariff rate as specified under this item for the duration of the development. After the development is complete, the property or properties will be charged at the rate as applicable to the category of the property that was developed.

A borehole, for the purposes of this document, is a narrow shaft bored in the ground, either vertically or horizontally which is used primarily for the extraction of water.

This tariff will apply to all categories of properties as noted in item 3, except for item 3.2, 3.6 and 3.9.

This tariff will apply to all properties with a borehole as noted above irrespective of whether a water connection has been made to the property.

This tariff will only be applicable where there's no municipal water meter installed.

The tariffs noted under this section becomes applicable as soon a notice is issued by the Department of Water Affairs and Sanitation in terms of item 6(1) of Schedule 3 to the National Water Act of 1998 (Act No. 36 of 1998) regarding the limitation of use of water.

This is the first phase of restrictions that will be applied should restrictions be implemented. Please refer to item 5 should additional restrictions be required to be implemented.

The tariffs noted under CONSUMPTION TARIFFS WHEN UNDER WATER EMERGENCY SITUATION – LEVEL 3 becomes applicable as soon a notice is issued by the Department of Water Affairs and Sanitation in terms of item 6(1) of Schedule 3 to the National Water Act of 1998 (Act No. 36 of 1998) regarding the limitation of use of water. This is the final phase of restrictions that will be applied should restrictions be implemented. Please refer to item 4 regarding the first phase of restrictions to be implemented.

For new water connections the following tariffs or charges are payable in respect of the installation of connection pipes and water connections including fire connections. This will also be applicable to new connections for prepaid meters.

Meter Size	Tariff 2024/25	Tariff 2025/26
15mm	7 085.00	7 935.20
20mm	8 338.50	9339.12
Greater than 20mm	Quotation	Quotation

4.3.3 Sewerage Sanitation Charges

The sanitation revenue is projected at R589,02 million in 2025/26 (R558,6 million in the 2024/25 adjustment budget) representing an increase of R30,41 million (5.44%) on the 2024/25 adjustment budget. The projection for the outer two years of the MTREF period is R621 million and R644 million respectively.

The sewerage charges are linked to the property values as contained in the general valuation roll. Therefore, the adjustments in the valuation roll have a direct impact on both the rates and sewerage revenue.

The following factors contributed to the effective increase of 5.44%:

- The average increase of the sanitation tariff by 4.40%.
- The expected growth of the city by 1.00%.

The following factors were considered in the determination of the increase of the tariffs by 4.40%:

- The inflation rate of 4.40% as per Circular 129 issued by National Treasury on 10th of December 2024.
- Impact of the growth of the city.

That the charges levied in terms of paragraph 1 above **SHALL BECOME DUE AND PAYABLE** in twelve equal instalments on fixed days for twelve consecutive months, these being the due date stipulated in the account sent to the ratepayer. That interest at the **prime rate + 1%** will **BE CHARGED** per month or part thereof on all arrear sanitation charges at the applicable interest rate.

The minimum charges will only be applicable when the charges based on market value is below the minimum charges specified under paragraph 1 and is not exempt in terms of other sections within this document.

1. The following rebates and exemptions will apply in respect of sewerage charges: -
 - a. All residential properties with a market value of **R 100 000.00** or less are exempted from paying of sewerage charges;
 - b. All residential properties using other levels of sanitation than waterborne shall pay according to the general tariff booklet when they apply for the emptying of septic tank or VIP;
 - c. The residential properties in the following areas may be excluded in the instance where there are no bulk sewerage pipe connection.
 - i. Bloemdundustria
 - ii. Ribblesdale
 - iii. Bloemspuit
 - iv. Bainsvlei
 - v. Farms and Peri-Urban areas

The following special arrangements are in place with the following institutions: -

For Martie du Plessis School, Dr Böhmer School, Lettie Fouché School ; Tswelopele school of the blind ; Bartimea school and schools of similar nature a charge of **R 89.18 (2024/2025: R 85.42)** will be levied per sanitary point per month (**TARIFF CODE – SP5170**).

The residential flat rate Levies

- a) Residential Properties that are not connected to municipal sewer network will be levied a monthly flat rate of R35.00
- b) Small Holding properties, complexes, sectional scheme, duets and other residential properties that uses septic tank will be levied a monthly the flat rate of R35.00. This flat rate does not replace or cancel the septic tank levies payable as reflected in the municipal tariff booklet.
 - a. The flat rate levy will exclude Farms and plots where the municipality is not collection refuse.

Non-Residential flat tariff

1. Non-Properties other than the that are not connected to municipal sewer network will be levied a monthly flat rate of R65.00
2. Small Holding properties, complexes, sectional scheme, duets and any other non-residential properties that uses septic tank will be levied monthly flat rate of R65.00. This flat rate does not replace or cancel the septic tank levies payable as reflected in the municipal tariff booklet.
 - a. The flat rate levy will excludes Farms, plots and other Peri-Urban areas.

4.3.4 The implications of water and sanitation trading reforms

The city has adopted the Water and Sanitation Trading Reforms, process which started in April of 2024 with the presentation made by National Treasury through the City's Support Program that had been delegated to drive the process. These processes culminated with City Council taking a resolution to adopt the reforms as per council resolution number 122.5 (31 July 2024) with the implementation of reforms through the establishment of the Water and Sanitation Department, to be headed by the HoD, position which will be established and filled through the normal recruitment processes.

This has resulted in the review of delegations to the Finance Directorate which includes meter reading, function which

will be performed in this new department in line with the reforms aspirations of single point of management accountability, from water demand, infrastructure acquisition, operation and maintenance, water balancing and accounting for water losses. Finance will remain with billing function and ensure single account issued to the water users, whilst Water and Sanitation will have full access to the billing system to extract and analyse data for water balancing. The treasury function of invoicing, receipting, credit control, debt collection and registration and verification of Indigents will remain with Finance Directorate.

4.3.5 Refuse Removal

The refuse revenue is projected at R200 million in 2025/26 (R197 million in the 2024/25 adjustment budget). The projection for the outer two years of the MTREF period is R212 million and R219 million respectively.

The refuse removal charges for residential properties are linked to the erf sizes as contained in the general valuation roll and the refuse charge for non-residential properties consist of a fixed basic charge and additional optional charge for trade refuse removal.

The following factors contributed to the effective increase of 1.59% in the refuse removal revenue as compared to the 2024/25 adjustment budget:

- The average increase in refuse removal tariffs by 4.40%.
- The growth rate of the city of 1.00%.
- Implementation of Zero-based budgeting in line with MSCOA principles which resulted in an 3.81% effective decrease.

The following factors were considered in the determination of the increase of the tariffs by 4.40%:

- The inflation rate of 4.40% as per Circular 129 issued by National Treasury on 10 December 2024.
- Impact of the growth of the city.

Charges shall be levied on and recovered from all consumers of the Councils Waste Management Services who utilized / requested the Councils Waste Management Services, such consumers shall include the owners and occupiers of the premises in respect of which the services are rendered, and such charges shall be recoverable from such owners and occupiers jointly and severally. "Occupiers" and Owners as intended herein shall be as defined in the Waste Management By-laws as well as Credit Control and Debt Collection Policy of the Council.

Charges shall be levied per consumer as intended above in respect of each service point (as defined in the Waste Management Tariff policy and By-laws of the Council).

For special arrangements, the following special arrangements is in place with the following institutions: -

- a. For Martie du Plessis School, Dr Böhmer School, Lettie Fouché School, Bartimea school and schools of similar nature a charge of **R 34.92 (2024/2025: R 33.45)** will be levied per refuse point per month (**TARIFF CODE – RF5170**).

The residential flat rate Levies

- b. Residential Properties where municipality does not collect refuse will be levied a flat rate of **R30.00**
- c. The flat rate levy will excludes Farms and plots where the municipality is not collecting refuse.

Non-Residential flat rate levies

- d. Non-Properties where municipality does not collect refuse will be levied a flat rate of **R60.00**. The flat is

- levied because the refuse collected must be deposited into municipal landfill sites.
- e. The flat rate levy will excludes Farms, plots and other Peri-Urban areas.

4.3.5.1 Solid waste trading reforms

The Solid Waste Trading Reforms has started as well with the submission of the strategy to National Treasury. The next submission will A1 and A2 template by be the end of July 2025. It is anticipated that the reforms will be effective from 1 July 2026. Unlike with Water and Sanitation where it was clear that cities must either establish a department, appoint a concession or establish an entity, it is not clear at this point whether Solid Waste will become a department with a separate HoD. The delegations are yet thought of between Finance and Community Services as a result of implementing the reforms.

4.3.6 Property Rates Revenue

The Municipal Property Rates Act 6 of 2004 as amended gives guidance on the categorisation of various properties. Residential properties serve as a baseline for the determination of tariff for other property categories. The approved GV 2019 is valid for a six-year period, and the next date of a new GV is 1 July 2026 which will be published in January 2026 for comments and objections.

The GV includes all property situated within the geographical boundaries of the municipality in terms of the Municipal Property Rates Act as amended. Accordingly, rates levied per individual property will depend on that property value compared with the valuation of all other rateable properties in the municipal area. Rebates and concessions are granted to certain categories of property usage and or property owner profile. The total estimated revenue from property rates is as per the table below:

THAT in terms of Sections 2, 7, 8 and 14 of the Local Government: Municipal Property Rates Act 6 of 2004 (“the Act”), read with Sections 4(1)(c)(ii) and 11(3)(i) and 75A of the Local Government: Municipal Systems Act 32 of 2000, the following rates in the Rand **BE LEVIED** for the financial year 1 July 2025 to 30 June 2026, on the market value of property or on the market value of a right in property within the area of jurisdiction of the Council as appearing in the valuation roll, in respect of the various categories of properties set out below:

That the rates levied in terms of paragraph 1 above **SHALL BECOME DUE AND PAYBLE** in twelve equal instalments on fixed days for twelve consecutive months, these being the due date stipulated in the account sent to the ratepayer.

That interest at the **prime rate + 1%** will **BE CHARGED** per month or part thereof on all arrear property rates at the applicable interest rate.

That in terms of Section 15(1)(b) of the Act read with Council's Property Rates Policy, the Council grants, the following reduction in market value and rebates on the rate levied for the financial year 2025/2026 to any owner of ratable property in the following circumstances:

That in terms of section 17(h) of the Municipal Property Rates Act, No 6 of 2004, read in conjunction with the Council's Property Rates Policy the impermissible value and reduction of the market value of a property assigned to the residential category in the valuation roll or supplementary valuation roll, **BE DETERMINED** as **R 100 000**.

Indigent household – Owner of residential property, registered in terms of Council's approved indigent policy, **BE REBATED 100%** from amount levied on Property Rates.

Age (60) / Senior Citizen and disabled persons – That in addition to the reduction in 4.1 above and subject to requirements as set out in Council's Rates Policy, an **ADDITIONAL** reduction of **R 200 000** on the market value of qualifying senior citizens and disabled persons **BE GRANTED**.

Child headed households – That a child headed household registered in terms of Council's approved rates policy, **BE**

REBATED 100% from amount levied on Property Rates **IF:**

- The total monthly income from all sources does not exceed an amount equal to three state pensions (per month) as determined by the National Minister of Finance.

Agricultural – That an agricultural property as defined in terms of the Council's approved rates policy **BE LEVIED** at the standard ratio of 1:0.25 of the tariff for residential properties and therefore an effective **REBATE** of 75% on the tariff for residential properties will apply. It should be noted that **NO ADDITIONAL REBATES** shall be granted if this rebate applies.

Township Development – Owner of a township development **BE REBATED 50%** from amount levied on Property Rates.

Public Service Infrastructure properties as defined under section 1 of the Municipal Property Rates Act 6 of 2004 read in conjunction with section 11(1)(b) and 17(1) **BE LEVIED** at **MARKET VALUE LESS 30%**. That a Public Service Infrastructure property **BE LEVIED** at the standard ratio of 1:0.25 of the tariff for residential properties and therefore an effective **REBATE** of 75% on the tariff for residential properties will apply. The following Public Service Infrastructure properties are however excluded in terms of section 17 (1) (aA) and therefore is considered impermissible to levy rates:

- National, provincial or other public roads on which goods, services or labour move across a municipal boundary;
- Water or sewer pipes, ducts or other conduits, dams, water supply reservoirs, water treatment plans or water pumps forming part of a water or sewer scheme serving the public;
- railway lines forming part of a national railway system;
- Runways, aprons and the air traffic control unit at national or provincial airports, including the vacant land known as the obstacle free zone surrounding these, which must be vacant for air navigation purposes;
- **Municipal Properties** (Except where non-market related rental is applicable in which case the property is categorised according to its use (i.e. residential, business, etc.)
- **Properties owned by public benefit organisations** and used for any specific public benefit activities as listed under Part 1 of the Ninth Schedule to the Income Tax Act, 1962 (Act 58 of 1962) and in adherence to the requirements of the Council's Property Rates Policy.
- **Places of Public Worship** including churches and properties of similar nature.

Municipal owned properties where a Permission To Occupy (PTO) certificate is issued will be levied a rates tariff applicable to the use, permitted use or a combination of both in line with section 8(1) of the Municipal Property Rates Act.

CATEGORY	MARKET VALUE	TARIFF PER CATEGORY	CALCULATED RATES
AGRICULTURAL	8 365 780 680	0,002651	R 22 177 685
BUSINESS	18 374 067 110	0,036056	R 662 495 364
EXEMPTED	11 505 387 470	0,00	R 0
GOVERNMENT	10 189 370 210	0,036056	R 367 387 933
PSI	117 361 220	0,002651	R 311 125
RESIDENTIAL	82 002 514 090	0,01062	R 870 866 700
GRAND TOTAL	130 554 480 780		R 1 923 238 807

5. OPERATIONAL EXPENDITURE FRAMEWORK

The operational expenditure framework is driven by bulk cost of water and electricity and employee related costs, to an extent that the two combined, takes about 60% of the budget, and non-cash items of depreciation and debt impairment takes but 10% of the operational budget. The remainder of the budget is then towards municipal running, contracted services and consultancy services that the city utilises in the execution of some of the functions.

The city is striving for an employee cost to expenditure ratio of 0,35, and non-cash of 0,12 of the total operational expenditure. This will be made possible by the combination of strategies that had been adopted, and some to be adopted. In the main, the city wants to address the issue of high vacancy rate and overtime by implementing shift system, supported by the vehicle operating lease agreement to ensure that there are adequate tools of trade for every department.

MAN Mangaung - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1										
Expenditure											
Employee related costs	2	2 244 582	2 223 632	2 461 979	2 513 360	2 495 954	2 495 954	2 201 013	2 655 658	2 725 232	2 835 079
Remuneration of councillors		87 895	89 434	74 552	79 728	78 428	78 428	65 111	83 728	88 124	91 649
Bulk purchases - electricity	2	1 875 528	2 216 593	3 032 518	2 569 190	2 802 190	2 802 190	2 468 600	2 974 985	3 134 444	3 328 466
Inventory consumed	8	916 568	926 344	1 051 227	642 068	642 068	642 068	901 361	717 735	752 055	784 982
Debt impairment	3	1 664 378	1 352 667	1 017 115	1 917 562	2 117 562	2 117 562	1 862 431	2 245 155	2 287 520	2 318 367
Depreciation and amortisation		906 729	885 335	853 274	420 694	674 788	674 788	663 642	752 070	857 195	894 454
Interest		115 415	178 458	141 329	27 072	27 072	27 072	45 607	12 723	2 605	62
Contracted services		691 070	638 774	784 114	620 042	773 550	773 550	473 799	815 537	781 202	813 050
Transfers and subsidies		7 244	-	4 992	361	361	361	-	15 000	-	-
Irrecoverable debts written off		196 741	210 447	692 315	-	-	-	398 719	-	-	-
Operational costs		500 817	639 288	582 736	472 875	441 747	441 747	383 765	482 868	509 260	560 749
Losses on disposal of Assets		305 358	55 384	42 113	-	-	-	-	-	-	-
Other Losses		9 790	3 193	55 482	371 700	371 700	371 700	(745)	399 427	417 670	436 347
Total Expenditure		9 562 114	9 399 547	10 793 747	9 634 653	10 425 420	10 425 420	9 463 305	11 154 887	11 555 308	12 063 205

5.1 Employee related costs

The salaries and wages budget are being increased by 3.51% (R87,64 million) based on the 2024/25 adjustment budget amount of R2,49 billion to a new amount of R2,66 billion in 2025/26. The projected amount for the two outer years of the MTREF period are R2,73 billion and R2,84 billion respectively. This includes an amount of R60 million for vacancies for appointment of critical positions in the new financial year.

Line items such as overtime were drastically reduced across all departments to the affordable level for the city. All acting allowances were removed, and overtime was drastically reduced across all departments to an affordable level of R84,49 million for the city with the planned implementation of a shift system. Provision has also been made for the positions of HOD's in the Water and Sanitation and Economic Development directorates.

Salaries and Wages per Category are outlines as per the supporting Table SA1 for the breakdown per category.

5.1.1 Remuneration of Councillors and Directors

The budget of this line item is increasing from R78,43 million by R5,30 million (6,76%) in 2024/25 to a new budget amount of R83,73 million in 2025/26. The projection for the two outer years of the MTREF period is R88,12 million and R91,65 million respectively. The Upper limits on political office bearers were considered in determining the budgeted amount.

The Entity's Board of Directors fees amount to R1,34 million in 2025/26 reflecting a R65 722 (5.15%) increase from 2024/25 adjustment budget amounting to R1,28 million. The projection for the two outer years of the MTREF period is R1,41 million and R1,47 million respectively.

Further details regarding the remuneration of Councillors and Directors can be obtained on the Supporting Table SA22 and SA23.

5.2 Bulk purchases and inventory

Bulk purchases take up approximately 35% of the operating budget for 2025/26.

Bulk purchases – electricity increased by 6.17% (R172,80 million) against the 2024/25 Adjustment Budget amount of R2,80 billion, to the proposed new amount of R2,97 billion for the 2025/26 budget year. The allocation for the two outer years of the MTREF period is R3,13 billion and R3,33 billion respectively.

With the implementation of the latest version of mSCOA, Bulk water purchases is no longer accounted for under Bulk purchases, but under a combination of Inventory consumed and Losses (see Inventory – Water under schedule SA3). Bulk water purchases (Inventory consumed considered together with Other Losses) increased by 6.78% (R60,00 million) against the 2024/25 Adjustment Budget amount of R885,05 million, to the proposed amount of R945,05 million for the 2025/26 budget year. The allocation for the two outer years of the MTREF period is R988,20 million and R1,03 billion respectively.

Inventory Consumed (formerly Other Materials and includes items Consumables, Materials and Supplies, etc.) budget increased by R43,40 million (33,70%) against the 2024/25 Adjustment Budget amount of R128,77 million, to the proposed amount of R172,16 million for the 2025/26 budget year. The allocation for the two outer years of the MTREF period is R181,57 million and R188,98 million respectively.

5.3 Contracted services

Contracted Services budget increased by R41,99 million (5.43%) from the approved Adjustment Budget allocation of R773,55 million in 2024/25 to a new allocation of R815,54 million. The allocation for the two outer years of the MTREF period is R781,20 million and R813,05 million respectively.

The intention of contracted services is to augment the service delivery priorities identified such as litter picking & street cleaning, maintenance of buildings, cleaning of entrances, tree cutting, repairs and maintenance of roads, unblocking of sewer reticulation infrastructure, attending to water losses due to burst pipes, leakages, maintenance of service delivery vehicles and implementation of revenue enhancement strategies. However, despite the above, the strategy of the municipality is to perform more services internally without relying on external service providers.

Refer to Supporting Table SA 1 for contracted details

5.4 Debt Impairment

The budget amount for debt impairment increased by R128,22 million (6,05%) from the 2024/25 Adjustment Budget allocation of R2,12 billion to a new amount of R2,25 billion. The indicative for the two outer years of the MTREF period is R2,29 billion and R2,32 billion respectively. Included under Debt Impairment is a provision for the expected consolidated average collection rate of 78%.

5.5 Depreciation

The budgeted depreciation amount is R752,07 million for 2025/26 (Adjustment Budget 2024/25 of R674,79 million). The provision is showing an increase of R77,28 million (11,45%) for the 2024/25 budget year. The indicative allocated amount for the two outer years of the MTREF period is R857,20 million and R894,45 million respectively. This amount is set aside to renew the city's infrastructure as it ages. Additional allocations were made during this budget with intention to fully provide for depreciation over the MTREF period and to prevent and limit unauthorised expenditure.

5.6 Transfers and Subsidies

Transfers and Subsidies budget increased from the appropriated Adjustment Budget of R361,381 in 2024/25 to an amount of R15.00 million in 2025/26. No allocation for the two outer years of the MTREF period. Refer to Supporting Tables SA 21 for details of Transfers and Grants made by the municipality.

5.7 Operational Costs

The Operational Costs budget increased by R41,12 million (8.52%) from the appropriated Adjustment Budget of R441,75 million in 2024/25 to an amount of R482,87 million in 2025/26. The allocation for the two outer years of the MTREF period is R509,26 million and R560,75 million respectively (See Supporting Table SA1).

5.8 Maintenance budget

Included in the cost of contracted services are the cost of identified repairs and maintenance linked to each element of the expense category. The cost of repairs and maintenance is projected at R632,13 million for 2025/26 budget year and for the two outer years of the MTREF period the costs are projected at R627,66 million and R654,74 million respectively. See Supporting table SA34c for the details of repairs and maintenance.

6. CAPITAL EXPENDITURE FRAMEWORK

The capital expenditure framework is informed by the ward priorities as well as infrastructure capacity to deliver reliable services to the people in a safe and economic manner. With the disadvantage that the city finds itself of being in within the borders of Lesotho, we have seen influx of Lesotho nationals migrating or leaving in Mangaung and their place of choice is informal settlements as these are costing very low in terms of rent or access. This has led to the mushrooming of informal settlements across the region, but in the main, in Bloemfontein.

At the beginning of the term of office of this council, the city recorded 58 informal settlements, of which to date, 11 had been upgraded to date, and 17 are in progress of upgrade. As such, key capital budget expenditure is Human Settlements Upgrade and installation of civil services. These projects are funded from ISUPG and USDG. The table below indicates the last three years budget allocation to functions.

The capital budget for the 2025/26 financial year is set at R1,34 billion (an increase of R203,16 million (17.81%) as compared to the 2024/25 Adjustment Budget of R1,14 billion). The capital budget for the two outer years of the MTREF period has been set at R1,32 billion and R1,33 billion respectively.

6.1 Funding Capital Expenditure

The budget will be funded out of Government Grants and subsidies and internally generated funds (own funding) as funding sources. Government grants contribution to the Metro's capital budget will be increased by R228,96 million (29.67%) to R1 billion in 2025/26, from adjustment budget amount of R771,81 million in the 2024/25 budget year. The projection for the two outer years of the MTREF period is R1,01 billion and R1,05 billion respectively.

The capital budget of the city is funded as per the table below.

FINANCING		BUDGET 2025/2026	BUDGET 2026/2027	BUDGET 2027/2028
CF	Own Funds (CRR)	88 558 703	60 006 200	64 062 474
18	Revenue (CENTLEC)	240 160 000	231 243 200	194 183 893
17	Public Contributions/Donations	14 500 000	15 152 500	15 531 313
Grants and Subsidies		1 000 768 761	1 013 339 314	1 055 493 213
62	Public Transport Infrastructure & Systems Grant	144 716 571	117 773 889	118 470 056
81	USDG Grant	541 284 690	566 012 340	591 625 960
80	Informal Settlement Upgrading Partnership	301 571 500	319 464 400	334 872 245
83	USFG Grant (Financing portion of USDG)	-	-	-
77	National Electrification Programme	-	-	-
79	Neighbourhood Development Partnership Grant	-	-	-
97	USFG Grant (Financing portion of USDG)	13 196 000	10 088 685	10 524 952
		1 343 987 464	1 319 741 214	1 329 270 892

6.2 Summary of conditional grants framework

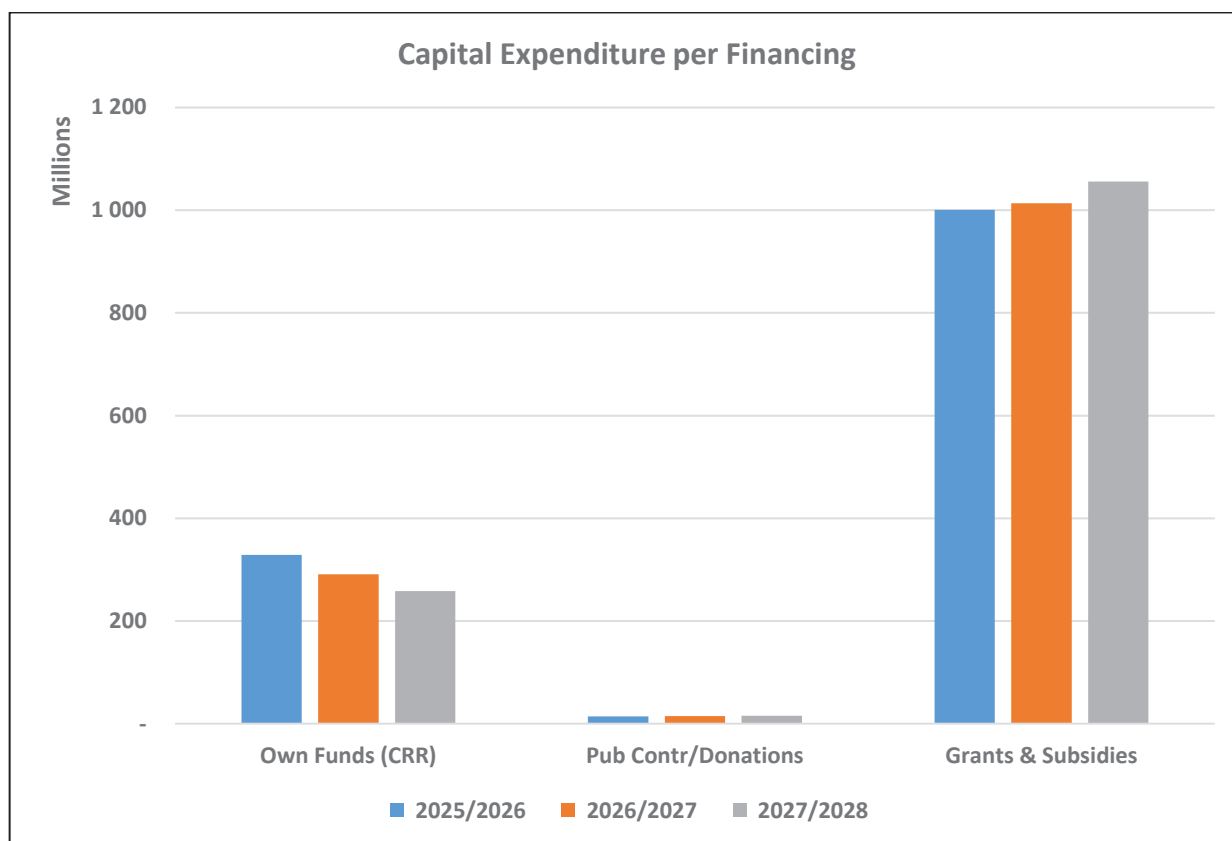
Grant (USDG) is provided directly to accredited or high-capacity Metros and municipalities by means of a DORA transfer for infrastructure development to support the upgrading of informal settlements and increase the provision of serviced land in metropolitan municipalities. The USDG strategic goal is therefore, the creation of sustainable and integrated human settlements that enable improved quality of household life.

The outcomes to be realised to promote integrated sustainable urban settlements and improved quality of living environments are as follows:

- supporting inclusive densification and transit-oriented urban development integrating existing and new urban developments
- provision of adequate bulk and link infrastructure for mixed income and mixed-use urban developments
- Provide opportunities for leveraging of public funding within partnerships that promote integrated mixed income and mixed-use urban development's projects and funding for broader urban development
- provision of resources for sustainable community development for social and economic infrastructure and meaningful participation

The following outputs should be funded by the grant to support the improvement of the overall built environment:

- increase in bulk and link infrastructure;
- construction/ provision of internal engineering services;
- increase in the number of serviced sites;
- increase in the provision of individual connections;
- increase in land provision for informal settlement upgrading, subsidised housing, or mixed-use developments in support of approved human settlements and other urban developments;
- increase in access to public and socio-economic amenities;
- Increase in the number of interim basic services; and
- increase in number of community agreements.



6.2.1 Grant Funding

Government grants and subsidies makes up 74.46% of total capital funding over the MTREF period. The major grants being the USDG, ISUPG and PTNG.

FINANCING		BUDGET 2025/2026	BUDGET 2026/2027	BUDGET 2027/2028
CF	Own Funds (CRR)	88 558 703	60 006 200	64 062 474
18	Revenue (CENTLEC)	240 160 000	231 243 200	194 183 893
17	Public Contributions/Donations	14 500 000	15 152 500	15 531 313
Grants and Subsidies		1 000 768 761	1 013 339 314	1 055 493 213
62	Public Transport Infrastructure & Systems Grant	144 716 571	117 773 889	118 470 056
81	USDG Grant	541 284 690	566 012 340	591 625 960
80	Informal Settlement Upgrading Partnership	301 571 500	319 464 400	334 872 245
83	USFG Grant (Financing portion of USDG)	-	-	-
77	National Electrification Programme	-	-	-
79	Neighbourhood Development Partnership Grant	-	-	-
97	USFG Grant (Financing portion of USDG)	13 196 000	10 088 685	10 524 952
		1 343 987 464	1 319 741 214	1 329 270 892

6.3 Utilization of the Funding

The intended utilization of the grants is as follows in terms of main sources:

6.3.1 Urban Settlement Development Grant Funded Projects (USDG)

The Urban Settlement Development Grant (USDG) is provided directly to accredited or high-capacity Metros and municipalities by means of a DORA transfer for infrastructure development to support the upgrading of informal settlements and increase the provision of serviced land in metropolitan municipalities. The USDG strategic goal is,

therefore, the creation of sustainable and integrated human settlements that enable improved quality of household life.

The outcomes to be realised in order to promote integrated sustainable urban settlements and improved quality of living environments are as follows:

1. supporting inclusive densification and transit-oriented urban development integrating existing and new urban developments
2. provision of adequate bulk and link infrastructure for mixed income and mixed-use urban developments
3. Provide opportunities for leveraging of public funding within partnerships that promote integrated mixed income and mixed-use urban development's projects and funding for broader urban development
4. provision of resources for sustainable community development for social and economic infrastructure and meaningful participation

The City has been allocated R541,28 million in the 2025/26 financial year, and R566,01 million and R591,63 million in the two outer years. The following outputs should be funded by the grant to support the improvement of the overall built environment:

- increase in bulk and link infrastructure;
- construction/ provision of internal engineering services;
- increase in the number of serviced sites;
- increase in the provision of individual connections;
- increase in land provision for informal settlement upgrading, subsidised housing, or mixed-use developments in support of approved human settlements and other urban developments;
- increase in access to public and socio-economic amenities;
- Increase in the number of interim basic services; and
- increase in number of community agreements.

	Votes	DETAIL OF EXPENDITURE	BUDGET 2025/2026	BUDGET 2026/2027	BUDGET 2027/2028
COMMUNITY SERVICES					
5302	5302645002081CZ2Z11	REHAB OF NORTHERN LANDFILL SITES	15 000 000	40 000 000	40 000 000
5302	5302645002081WU8Z11	DEVELOPMENT OF NEW LANDFILL SITE	-	8 000 000	34 347 000
5302	5302645002081Y91Z240	UPGRADE AND REFURB BOTSHABELO LANDFILL SITE	500 000	-	-
5302	5302645002081Y95Z11	UPGRADE AND REFURB SOUTHERN LANDFILL SITE	1 000 000	-	-
5302	5302645002081Y97Z20	NEW FENCE AT SOUTHERN LANDFILL SITE	3 000 000	-	-
5302	5302645002081Y99Z11	REFUSE BINS FOR CBDE'S IN METRO	943 000	282 439	384 777
5302	5302645002081CC1Z11	REFUSE BINS FOR BUSINESSES / TRADE WASTE REMOVAL	943 000	282 439	384 777
5631	5631647352081CE4Z11	EROSION CONTROL ON NAVAL HILL	1 000 000	260 445	308 533
5651	5651647352081CG8Z11	REPLACEMENT OF FENCE - MEMORIUM CEMTERY X2	5 000 000	1 849 159	-
5651	5652647352081CE6Z11	REPLACEMENT OF FENCE - BOTSHABELO CEMETERY	5 000 000	1 692 892	-
		TOTAL	32 386 000	52 367 374	75 425 086
PLANNING					
6212	6212647352081AB2Z11	LAND SURVEYING FARM GRASSLAND	-	300 000	-
6212	6212647352081Z75Z11	LAND SURVEY REMAINDER FARM VEEKRAAL 605	1 600 000	-	-
6212	6231647352081QH5Z240	FIRE STATION BOTSHABELO	17 000 000	-	-
6212	6231647352081QV1Z30	CONSTRUCTION OF A NEW COMMUNITY CENTRE I	19 300 900	-	-
		TOTAL	37 900 900	300 000	-
TECHNICAL SERVICES					
ROADS AND STORMWATER					
7327	7327647242081RR5Z11	REHABILITATION OF STREETS	8 874 792	17 221 500	4 735 470
7327	7327647242081W19Z20	T1428A MAN RD 198 199&200 BOCH	9 867 173	260 445	-
7327	7327647242081W37Z20	T1432 MAN 10786 BERGMAN SQUARE	11 372 011	781 335	-
7327	7327647242081W40Z30	T1522 THA RD 2029 2044 & 2031 UPG	10 024 285	644 787	-
7327	7327647242081W41Z40	T1523 BOT RD 304 305 308 SECTION G UPG	444 553	9 746 277	1 563 646
7327	7327647242081W43Z40	T1524 BOT RD 437 SECTION A UPG	144 958	18 918 571	2 037 145
7327	7327647242081W47Z20	T1527B BOCHABELA STS UPG	12 697 701	260 445	-
7327	7327647242081W48Z20	T1527C BOCHABELA STS UPG	13 247 305	260 445	-
7327	7327647242081W49Z20	T1528 MAN RD 11388 & 11297 JB MAFORA UPG	490 787	11 095 464	1 059 154
7327	7327647242081W57Z20	T1536 HEAVY REHAB ZASTRON ST	21 100 730	9 166 882	3 979 025
7327	7327647242081W58Z20	T1537 HEAVY REHAB NELSON M&ELA ST	101 513	12 252 569	2 166 478
7327	7327647242081W60Z20	T1539 UPGRADE TRAFFIC INTERSECTIONS	10 194 374	2 010 024	454 272
7327	7327647242081Y46Z20	SAND DU PLESSIS RD: ESTOIRE	104 833	2 286 111	308 533
7327	7327647242081Y52Z20	STORMWATER REFURBISHMENT	5 247 573	2 791 990	1 313 672
7327	7327647242081Z18Z11	BATHO UPGRADING OF ROADS AND STORMWATER	9 509 213	520 890	151 424
7327	73276472420DFDF1Z11	GABIONS REPLACE DAMAGED CULVERTS ROADS	4 000 000	-	-
7327	7327647302081W38Z20	T1433 BAINSVLEI M/WATER BULK S/WATER UPG	197 317	5 392 488	6 269 241
7327	7327647242081C83Z11	KOKOZELA STREET ROCKLANDS	0	778 815	3 273 335
7327	7327647242081C84Z11	BOBO STREET	0	804 015	3 295 175
7327	7327647242081C85Z11	RAMAILANE STREET	0	804 015	3 295 175
7327	7327647242081C86Z11	THAMBO STREET	0	804 015	3 295 175
7327	7327647242081RT4Z20	T1419B ROAD 6	0	828 422	3 316 328
7327	7327647242081RE4Z20	ZIM STREET PHASE 2: KAGISANONG: UPGRADE	1 000 000	2 406 494	2 285 757
7327	7327647242081RJ5Z20	DR BELCHER/MACGREGOR INTERCHANGE	0	3 948 295	617 066
7327	7327647242081RN9Z11	REPLACEMENT OF OBSOLETE AND ILLEGAL SIGNAGE AND TRAFFIC SIGNALS	0	2 256 088	2 735 206
7327	7327647242081W39Z20	T1520: FIRST AVENUE PEDESTRIAN BRIDGE	-0	4 812 987	6 944 914
7327	7327647242081W42Z20	T1523B: VICTORIA & KOLBE INTERSECTION	0	1 422 392	2 005 464
7327	7327647242081W44Z40	T1525: BOT RD 601: SECTION D: UPGRADE	0	6 853 193	6 666 050
7327	7327647242081W45Z20	T1526: LEFIKENG & ROMA STR: SECTION U & J: UPGRADE	-0	2 406 494	2 506 869
7327	7327647242081W50Z40	T1529: BOT RD 3824: BOTSHABELO WEST (MAIN ROAD)	-	-	-
7327	7327647242081W59Z20	T1538: UPGRADING INTERSECTION ST GEORGE ST & PRES BRAND	-	911 557	459 957
7327	7327647242081Y49Z20	NELSON MANDELA BRIDGE	-0	6 768 263	7 631 444
7327	7327647242081Y53Z20	BULK STORMWATER PHASE 5	-0	2 135 763	2 969 051
7327	7327647242081Y54Z20	BULK STORMWATER ROCKLANDS	-0	2 135 763	2 969 051
7327	7327647302081WJ7Z11	UPGRADING OF THOKOZANI AVENUE ROCKLANDS	-	390 667	3 702 395
7327	7327647302081WJ8Z11	CONNECTOR STREET OF NICOLAI AND CALLIOPE	-	390 667	3 702 395
7327	7327647242081AB6Z11	UPGRADING OF DU PLESSIS STR BFN	-	390 667	3 702 395
7327	7327647242081FSEZ11	BLOEMSIDE 4510 - ROADS AND STORMWATER	2 000 000	481 823	-
7327	7327647242081FSFZ11	L/PARK (100) INST INTERNAL ROADS AND STORMWATER	-	2 255 062	3 597 750
7327	7327647242081W2NZ11	ZCC ROAD - WARD 11	1 000 000	5 000 000	5 000 000
7327	7327647242081W2PZ11	POLICE STATION UPGRADING OF ROADS	1 000 000	5 000 000	5 000 000
7327	7327647242081NVCZ11	DEVELOPMENT OF NALISVIEW CEMETERY	2 000 000	19 000 000	19 000 000
		TOTAL	124 619 118	166 595 680	122 009 012

FLEET MANAGEMENT					
7401	7401642142081QX8ZZ11	VEHICLE PROCUREMENT	0	9 258 183	-
		TOTAL	0	9 258 183	-
SANITATION					
7502	7502644942081C32ZZ40	BOTSHABELO SECTION K PUMPSTATION AND RISING MAIN	10 000 000	15 000 000	20 000 000
7502	7502644942081C22ZZ11	WATER BORNE SANITATION MANGAUNG WARD 8	6 000 000	520 890	1 234 132
7502	7502644942081C23ZZ11	WATER BORNE SANITATION MANGAUNG WARD 17	4 000 000	1 041 780	1 234 132
7502	7502644942081CZ1ZZ11	REFURBISHMENT OF SLUDGE DIGESTERS IN BLOEMSPRUIT WWTW	2 000 000	520 890	617 066
7502	7502644942081R11ZZ11	REFURBISHMENT OF SEWER SYSTEMS	18 000 000	6 935 417	7 236 543
7502	7502644942081FS7ZZ11	MMM WASTE WATER TREATMENT WORKS REFURBISHMENT	48 500 000	50 000 000	60 000 000
7502	7502644942081R33ZZ40	EXTENSION BOTSHABELO WWTW CIVIL	-	10 000 000	50 000 000
7502	7502644942081WP2ZZ30	EXTENSION THABA NCHU WWTW (SELOSESHA) (CIVIL)	13 000 000	26 044 490	30 853 292
7502	7502647242081Z89ZZ11	REFURBISHMENT/CONDITION MANAGEMENT PLAN	-	520 890	617 066
7502	7502644942081FSGZZ11	SOUTPAN WATER AND SANITATION CONSTRU	1 450 000	-	-
7502	7502644942081FSHZZ11	VEERKRAAL WATER AND SEWER	1 950 800	5 882 148	2 471 056
7502	7502644942081FSJZZ11	BLOEMSIDE 4510 - INSTAL WATER AND SANITATION	1 500 000	-	-
7502	7502644942081FSKZZ11	BOTSHABELO SECTION H1708 & G1011 - INSTAL WATER AND SAITATION	13 009 280	685 569	-
7502	7502644942081FSLZZ11	BOTSHABELO SECTION E1905 - INSTALL WATER AND SANITATION	1 658 600	-	-
7502	7502644942081FSMZZ11	L/PARK (100)INST WATER INT SEWER RET	18 362 287	3 125 339	-
		TOTAL	139 430 967	120 277 412	174 263 286
WATER					
7612	7612615102081CZ6ZZ11	GIS SYSTEM INFORMATION UPDATE	-	-	-
7612	7612644502081C34ZZ11	MASELSPOORT WTW UPGRADING (MASELSPOORT FILTERS)	20 100 000	19 440 000	-
7612	7612644502081C35ZZ11	NAVAL HILL NEW BULK DISTRIBUTION PIPELINE AND ASSOCIATED WO	3 000 000	6 459 034	11 477 425
7612	7612644602080CY9ZZ11	NEW RESERVOIR IN THABA NCHU (20ML)	-	5 000 542	13 822 275
7612	7612644502081C38ZZ11	PELLISSIER RESERVOIR	1 500 000	6 459 034	11 477 425
7612	7612644502081WK5ZZ11	DAM REFURBISHMENT (Civil,Mech and Electrical)	2 000 000	2 604 449	4 627 994
7612	7612644502081WK7ZZ11	DEWETSDORP - BOREHOLE REFURBISHMENT	2 000 000	1 302 225	-
7612	7612644602080FA2ZZ11	DEWETSDORP - STEEL TANK PUMPSTATION REFURBISHMENT	2 000 000	781 335	617 066
7612	7612644502081WK9ZZ11	BLOEMFONTEIN NORTHERN BULK DISTRIBUTION PIPELINE	3 000 000	6 459 034	11 477 425
7612	7612644502081WM1ZZ11	NEW 45 ML LONGRIDGE RESERVOIR	2 000 000	1 302 225	1 542 665
7612	7612644502081WM2ZZ11	NEW GROENVLEI 20MI RESERVOIR AND BULK SUPPLY LINE	2 000 000	1 302 225	1 542 665
7612	7612644502081WM3ZZ11	REFURBISH AND UPGRADE SLUICE GATE SYSTEM AT MASELSPOORT	5 000 000	2 604 449	1 542 665
7614	7614644502081UD3ZZ11	BULK CHECK METERS: INSTALLATION AND REFURBISHMENT	4 000 000	264 570	-
7612	7612644502081WP3ZZ11	REFURBISHMENT OF WATER SUPPLY SYSTEMS	14 000 000	3 366 612	1 542 665
7612	7612644502081Y85ZZ20	MASELSPOORT WATER RE-USE (GRAVITY LINE TO MOCKESDAM)	3 000 000	7 000 000	10 000 000
7612	7612644502081Y86ZZ20	MASELSPOORT WATER RE-USE (GRAVITY TO NEWWTW)	3 000 000	7 000 000	10 000 000
7612	7612644602081C88ZZ11	MAKURUNG INTERNAL WATER RETICULATION	3 000 000	5 990 233	-
7612	7612644602081W70ZZ11	MASELSPOORT WATER RE-USE (PUMP STATION AND RISING MAIN)	7 000 000	15 000 000	10 000 000
7612	7612644602081W75ZZ11	HAMILTON PARK PUMP STATION REFURBISHMENT	5 000 000	10 000 000	3 000 000
7612	7612644602081Z91ZZ11	WATER MASTER AND DEVELOPMENT PLAN	-	260 445	308 533
7612	7612644942081CZ5ZZ11	MASELSPOORT WTW UPGRADE	2 000 000	5 000 000	15 000 000
7612	7612644942081CZ5ZZ11	MASELSPOORT WTW UPGRADE (Phase 1)	2 000 000	5 000 000	15 000 000
7612	7612644502081WM9ZZ50	VANSTANDENSUS - DAM ABSTRACTION AND BOREHOLE REFURBISHN	3 000 000	-	-
7612	7612644602080FA5ZZ11	WEPENER - BOREHOLE REFURBISHMENT	3 000 000	1 302 225	-
7612	7612644502081WN1ZZ11	NEW GRASLAND RESERVOIR FEASIBILITY STUDY	2 000 000	-	-
7614	7614644502081KA1ZZ11	REFURBISHMENT/REPLACEMENT OF VALVES AND AUDIT, REPAIR AND	6 297 704	2 025 905	2 251 582
7614	7614644502081KA2ZZ11	CONSTRUCTION OF A NEW STORE ROOM	4 100 000	1 546 652	1 712 358
7614	7614644502081R45ZZ11	REPLACE WATER METERS AND METERING OF UNMETERED SITES	14 000 000	24 034 491	22 462 141
7614	7614644502081R70ZZ11	AUTOMATED METER READING AND PREPAID PROGRAMME	45 200 000	28 092 236	23 124 667
7614	7614644502081WB2ZZ11	DEVELOPMENT AND IMPELMANTATION of SAM MAST MODULE.	1 250 000	607 772	-
7614	7614644602081W79ZZ11	PRESSURE AND NETWORK ZONE MANAGEMENT (INCLUDING AUDITIN	8 000 000	3 646 629	4 233 674
7612	7612644502081UD4ZZ11	INTEGRATION AND OPTIMISATION – TELEMETRY AND SCADA SYSTEM	1 500 000	8 876 372	7 818 229
		TOTAL	173 947 704	182 728 690	184 581 450
CENTLEC					
1442	1442643302081P16ZZ11	ELECTRIFICATION (USDG GRANT)	33 000 000	34 485 000	35 347 125
		TOTAL	33 000 000	34 485 000	35 347 125
		TOTAL ALLOCATION FROM DEPARTMENTS	541 284 690	566 012 340	591 625 960
		TOTAL USDG ALLOCATION PER DORA	554 277 000	579 582 000	605 791 000
		Less 3% OPSCAPS	(12 992 310)	(13 569 660)	(14 165 040)
		ALLOCATION FOR CAPITAL PROJECTS	541 284 690	566 012 340	591 625 960

6.3.2 Urban Development Financial Grant

This grant is allocated subject to the city meeting certain grant conditions and milestones in terms of the Water and Sanitation reform (and soon to be inclusive of reforms on electricity and refuse). Please refer to submission of A3 as annexed to the documentation. Allocations to the amount of R13,20 million for the 2025/26 financial year and R10,09 million and R10,52 million for the respective outer years have been made.

DETAIL OF EXPENDITURE	CAPITAL ESTIMATES		
	BUDGET 2025/2026	BUDGET 2026/2027	BUDGET 2027/2028
WAAIHOEK PRECINCT REDEVELOPMENT	10 275 000	7 855 505	8 195 202
TOOLS & EQUIPMENT	2 921 000	2 233 180	2 329 750
TOTAL	13 196 000	10 088 685	10 524 952

6.3.3 Informal Settlement Upgrading Partnership Grant (ISUPG)

Informal settlements upgrading is an inclusive process through which informal residential areas are incrementally improved, formalised and incorporated into the city or neighbourhood by extending land tenure security, infrastructure and services to residents of informal settlements. This grant requires cities to work in partnership with communities to develop and complete their informal settlements upgrading strategies.

An allocation of R301,57 million in the 2025/26 financial year has been made available, intended to serve as a planning and preparation platform towards the Informal Settlement Upgrading Partnership grant. Amounts of R319,46 million and R334,87 million have been allocated in the respective outer years. Previously this grant was included in the USDG and ringfenced for informal settlement.

	VOTE	DETAIL OF EXPENDITURE	BUDGET 2025/2026	BUDGET 2026/2027	BUDGET 2027/2028
CENTLEC					
	1442643302080P91ZZ11	ELECTRIFICATION (ISUPG GRANT)	34 000 000	35 530 000	36 418 250
		TOTAL	34 000 000	35 530 000	36 418 250
PLANNING					
6212	6212647352080CX3ZZ11	LAND SURVEYING FARM KLIPFONTEIN	570 000	-	-
6212	6212647352080CX4ZZ11	FORMALISATION OF INFILL PLANNING	5 000 000	6 000 000	7 000 000
6212	6212647352080CX5ZZ11	LAND SURVEYING BOTSHABELO K	1 200 000	-	-
6212	6212647352080CX6ZZ11	TOWNSHIP ESTABLISH PORT 3 SELOSESHA 900	2 300 000	1 554 667	-
6212	6212647352080CX7ZZ11	SURVEYING MOROJANENG	3 000 000	-	-
6212	6212647352080CX8ZZ11	TOWNSHIP ESTAB REMAINDER FARM BOTSH 826	3 500 000	2 120 000	-
6212	6212647352080WZ3ZZ11	TOWNSHIP ESTABLISHMENT FARM X2727	1 327 000	-	-
6212	6212647352080WZ4ZZ11	LAND SURVEYING FARM X2727	500 000	1 000 000	1 000 000
		TOTAL	17 397 000	10 674 667	8 000 000
HUMAN SETTLEMENTS					
6573	6573644602080C12ZZ11	ACQUIS LAND INFORMAL SETTLEME RELOCATE	-	-	25 000 000
		TOTAL	-	-	25 000 000
TECHNICAL SERVICES					
ROADS AND STORMWATER					
7327	7327647242080CX9ZZ11	SECTION R ACCESS ROAD & BRIDGE	24 536 669	22 908 900	19 236 331
7327	7327647242080CY1ZZ11	GRASSL& PH 4 - ROADS & S/WATER	16 500 000	15 000 000	27 404 345
7327	7327647242080CY2ZZ11	BOTS WEST - INSTAL MAIN ROADS/ S/WATER	14 200 000	-	-
7327	7327647242080CY3ZZ11	PROVISION OF ROADS AND STORMWATER	10 500 000	2 783 078	53 016 922
		TOTAL	65 736 669	40 691 978	99 657 598

	VOTE	DETAIL OF EXPENDITURE	BUDGET 2025/2026	BUDGET 2026/2027	BUDGET 2027/2028
SANITATION					
7502	7502644942080CY4ZZ11	UPG BULK SEW LINE SONDERWAT & CHRIS HANI	-	30 000 000	30 000 000
7502	7502644942080CY5ZZ11	BOTSHABELO MAIN OUTFALL SEWER	10 000 000	30 000 000	20 000 000
7502	7502644942080FSNZ11	MATLHAR W&S _ INSTAL W & S (3108 U)	5 850 900	8 256 890	11 500 000
7502	7502644942080FSPZ11	SEROALO EXT 26 - INSTALLATION OF W & S (1	2 842 597	-	-
7502	7502644942080FSQZ11	KLIPFONTEIN WATER CONNECTIONS	540 000	6 505 000	12 505 660
7502	7502644942080FSRZ11	SONDERWAT PH 2 80/INST WATER INT SEW RET	7 895 356	6 280 580	-
7502	7502644942080FSSZ11	MKHONTO ERF 32109 - INS RETIC (111 U)	14 940 942	-	-
7502	7502644942080FSTZ11	SOUTPAN (IKGOMOTSENG) WATER SEWER CONST	3 750 000	-	-
7502	7502644942080FSUZ11	THABA NCHU EXT.27 RATAU WAT SEWER CONST	20 000 000	6 000 000	-
7502	7502644942080FSVZ11	RATAU HLAM WAT & SEW- ALT SYSTEM (114 U)	2 000 000	-	-
7502	7502644942080FSWZ11	ALT SEWER SOLUTIONS INMAL SETTLEMENTS	3 500 000	10 000 000	7 000 000
7502	7502644942080FSXZ11	SECTION C WATER & SEWER	784 193	-	-
7502	7502644942080FSYZ11	SECTION N INSTAL WATER & SEWER	23 497 843	2 265 980	-
7502	7502644942080FSZZ11	TURFLAAGTE ZCC/ BOBO AND WINKIE DIREKO	10 000 000	1 055 000	-
7502	7502644942080FTAZ11	TURFLAAGTE ZCC/ NATURENA	3 000 000	-	-
7502	7502644942080FTBZ11	LOURIERPARK RELOCATION AREA - INTERIM WATER AND SEWER	450 000	9 850 000	11 855 900
7502	7502644942080FTCZ11	BOTSHABELO FARM 826 RELOCATION AREA INTERIM WATER AND SEWER	450 000	8 458 500	9 685 650
7502	7502644942080FTDZ11	BOTSHABELO SECTION K RELOCATION AREA INTERIM WATER AND SEWER	450 000	9 895 850	9 500 850
7502	7502644942080FTEZ11	MOROJANENG INTERIM WATER AND SEWER	450 000	5 858 505	5 655 000
7502	7502644942080FTFZ11	PORTION 3 OF SELOSESHA INTERIM WATER AND SEWER	450 000	6 985 050	9 650 500
7502	7502644942080FTGZ11	FARM EXT 2727 INTERIM WATER AND SEWER	450 000	5 000 000	9 800 500
7502	7502644942080FTHZ11	BLOEMSIDE 9/10-INSTA W&S RETIC 200 UNITS	1 250 000	16 500 000	-
7502	7502644942080FTJZ11	BLOEMSIDE 7 - INST W & S RETIC500 UNITS	10 000 500	15 500 000	-
7502	7502644942080FTKZ11	TAMBO SQUARE - INSTAL WATER AND SEWER	1 500 000	-	-
7502	7502644942080FTLZ11	BOTSHB SEC R - INSTALL WATER (1000 U)	25 000 000	4 000 000	-
7502	7502644942080FTMZ11	BOTSHB SEC D - INSTALL SEWER RETIC(100U)	980 000	12 505 500	7 800 900
7502	7502644942080FTNZ11	BOTSHB SEC M - INSTALL SEWER RETIC(100U)	1 005 000	9 500 000	5 841 437
7502	7502644942080FTPZ11	DEWETSDORP EXT 7 WATER AND SEWER	3 900 500	9 650 000	-
7502	7502644942080FTQZ11	DEWETSDORP EXT 8 WATER AND SEWER	6 500 000	6 500 900	-
7502	7502644942080UD5Z11	HOUSE CONNECTIONS REFURBISHMENT INFORMAL SETTLEMENTS	5 000 000	-	-
		TOTAL	166 437 831	220 567 755	150 796 397
WATER					
7612	7612644602080CY8ZZ11	PROVISION OF BULK WATER SUPPLY	11 000 000	10 000 000	15 000 000
7612	7612644602080FA3ZZ11	INTERIM WATER INFORMAL SETTLE	7 000 000	2 000 000	-
		TOTAL	18 000 000	12 000 000	15 000 000
			301 571 500	319 464 400	334 872 245
		CAPITAL ALLOCATION	315 530 000	329 986 000	344 908 000
		OPEX ALLOCATION (5%)	-13 958 500	-10 521 600	-10 035 755
		TOTAL ALLOCATION	301 571 500	319 464 400	334 872 245

6.3.4 Public Transport Network Grant (IPTN)

The purpose of the Public Transport Network Grant is to provide funding for accelerated construction and improvement of public and non-motorised transport infrastructure that form part of a municipal integrated public transport network and to support the planning, regulation, control, management and operations of fiscally and financially sustainable municipal public transport network services.

The City has been allocated R144,72 million in the 2025/26 financial year, and R117,77 million and R118,47 million in the two outer years.

DETAIL OF EXPENDITURE	Budget 2025/2026	Budget 2026/2027	Budget 2027/2028
INDUSTRY TRANSFORMATION (TAXI ADVISORY)	23 388 000	18 440 460	18 175 696
INTERIM BUS DEPOT	19 428 571	-	-
NON-MOTORISED TRANSP (SIDEWALKS CYCLEW	2 500 000	5 941 587	-
IPTN FARE COLLEC (AFC) INSTALLATION AUTO	7 080 000	-	-
IPTN PHASE 2 - TRUNK ROUTE			
IPTN BUS DEPOT - BUILDING WORKS		27 577 312	43 692 760
OPEN BUS STATIONS (BUS STOP SHELTER)	520 000	290 000	
INDUSTRY TRANSFORMATION	-	37 734 400	56 601 600
IPTN BUS FLEET	88 800 000	27 790 130	-
PRELIM + DETAILED INFRASTR DESIGN	3 000 000		
TOTAL	144 716 571	117 773 889	118 470 056
TOTAL CAPITAL ALLOCATION	235 430 000	192 582 000	206 195 000
	-90 713 429	-74 808 111	-87 724 944
	144 716 571	117 773 889	118 470 056

6.4 Own Funded Projects:

Included in the capital budget are projects to the extent of R343,22 million for the 2025/26 year funded through own funds. The allocation of the two MTREF period outer years is R306,40 million and R273,78 million respectively. The detailed capital budgets per vote are as follows:

	VOTE	DETAIL OF EXPENDITURE	BUDGET 2025/2026	BUDGET 2026/2027	BUDGET 2027/2028
CORPORATE SERVICES					
3306	33066456020CFQ93Z11	MEDICAL EQUIPMENT	500 000	-	-
3601	36016460020CFCA1Z11	RECORDING / TRANSLATION EQUIPMENT	500 000	-	-
3703	37036446020CFWS9Z11	STORING & MECHANICAL FILTRATION AND DISTRIBUTION OF WATER: BRAM FISCHER BUILDING.	3 000 000	-	-
3703	37036456020CFWG7Z11	INSTALL SOLAR PANEL (PV)- MUN BUILDINGS	-	-	2 000 000
3703	37036456020CFWV1Z11	ACCES CON EQUIP B/FISCHER & 6 OTH BUILD	2 000 000	-	-
3703	37036460020CFCB2Z11	FURNITURE	1 000 000	1 000 000	1 000 000
3703	37036473520CF62Z11	REFURB OF REFRIGE FRESH PRODUCE MARKET	10 000 000	5 000 000	10 000 000
3703	37036473520CFCA2Z11	FENCING HIST BUILD B/FISPRECINCT	1 000 000	-	-
3703	37036473520CF24Z11	REFURB GABRIEL DIC BUILD & OTHERS	2 000 000	-	-
3703	37036474020CF60Z11	REFURB OF HVAC SYSTEM: BRAM FISHER	7 500 000	5 000 000	5 000 000
3901	39016151020CF24Z11	ICT SECURITY	1 082 103	-	-
3901	39016460020CFCA3Z11	DATA PROJECTORS	600 435	-	-
3901	39016471020CFR63Z11	DATA CENTRE INFRASTRUCTURE	7 000 000	-	-
3901	39016471020CFR65Z11	DESKTOPS AND LAPTOPS	5 000 000	-	-
3901	39016471020CFR67Z11	ICT NETWORK EQUIPMENT	2 446 165	-	-
		TOTAL	43 628 703	11 000 000	18 000 000
EXECUTIVE MAYOR					
2915	29156460020CFWZ5Z11	CAMERAS, WALKIE TALKIES AND STORAGE BINS	500 000	550 000	600 000
		TOTAL	500 000	550 000	600 000
COMMUNITY SERVICES					
5232	52326473520CFFS9Z11	REFURBISHMENT OF AIR QUALITY STATIONS (PELENOMI)	1 500 000	200 000	300 000
5232	52326473520CFSAZ11	REFURBISHMENT OF AIR QUALITY STATION (KAGISANONG)	1 500 000	200 000	300 000
5232	52326473520CFFSBZ11	REFURBISHMENT OF AIR QUALITY STATION (BAYSWATER)	1 500 000	200 000	300 000
5302	53026450020CFCC8Z11	SIGNBOARDS PROHIBITING ILLEGAL DUMPING	100 000	107 000	114 490
5302	53026450020CFCD6Z11	PROCUREMENT OF 3 HIGH PRESSURE WASHMACHINES FOR LANDFILL SITES	90 000	-	-
5665	56656473520CFQ8Z11	CITY ENTRANCE BEAUTIFICATION - RAYMOND MHLABA ROAD	1 000 000	1 500 000	750 000
5667	56676473520CFZ63Z11	RECREATION OF PARKS - VISTA PARK	1 000 000	1 400 000	1 500 000
5665	56656473520CFQV7Z11	CITY ENTRANCE BEAUTIFICATION - MASELSPOORT DRIVE	1 000 000	1 600 000	1 500 000
5667	56676473520CFWH4Z11	DEVELOPMENT OPEN SPACE	-	1 500 000	-
5668	56686473520CFWJ2Z11	UPGRADE PARK NEXT TO NEW BOTSHABELO MALL	1 500 000	-	-
5667	56676473520CFZ65Z11	REGIONAL PARK DEVELOPMENT - BATHO	2 000 000	1 500 000	-
5664	56646473520CFQV9Z11	CITY ENTRANCE BEAUTIFICATION - NEL MANDELA DR	1 000 000	1 250 000	-
5664	56646473520CFQV6Z11	GARDE DEV - BRAM FISC BUILD/ HALL GAB DIC	-	500 000	-
5621	56216473520CFQUSZ11	PURCHASE OF ANIMALS	1 800 000	1 600 000	1 400 000
5621	56216473520CFQUSZ11	UPGRADING OF BLOEMFONTEIN ZOO	7 000 000	10 000 000	12 000 000
5283	52836473520CFCF7Z11	LINE MARKING MACHINE FOR SPORT FIELD TURF	1 500 000	-	-

	VOTE	DETAIL OF EXPENDITURE	BUDGET 2025/2026	BUDGET 2026/2027	BUDGET 2027/2028
		TOTAL	28 490 000	36 557 000	33 164 490
ECONOMIC DEVELOPMENT					
6761	67616473520CFZ14Z211	GROUNDWATER AUGMENT(BOREHOLE WINDMILLS)	1 750 000	2 000 000	2 500 000
6781	67816473520CFQ5Z211	FICHART STREET MARKET	-	1 000 000	1 000 000
6781	67816473520CFQ6Z211	THABA NCHU CONTAINER PARK	1 000 000	-	-
		TOTAL	2 750 000	3 000 000	3 500 000
FRESH PRODUCE MARKET					
6902	69026456020CFA8Z211	MARKET TOWING TROLLEYS	1 000 000	1 000 000	1 000 000
		TOTAL	1 000 000	1 000 000	1 000 000
TECHNICAL SERVICES - FLEET MANAGEMENT					
7401	74016456020CFA6Z211	ELECTRONIC OIL MANAGEMENT SYSTEM	1 100 000	-	-
7401	74016456020CFZ9Z211	TOOLS & EQUIPMENT FOR MECHANICS	100 000	-	-
		TOTAL	1 200 000	-	-
PUBLIC SAFETY					
8511	85416456020CFA6Z211	SUPPLY, DELIVERY AND INSTALLATION OF ANPR SYSTEM WITH A KOMBIE	2 200 000	-	-
8541	85416456020CFA6Z211	9MM HANDGUNS	1 000 000	1 144 000	1 180 000
8541	85416456020CFA7Z211	12 GAGE SHOTGUNS	180 000	187 200	195 424
8541	85416456020CFC81Z211	BULLET PROOF VESTS	500 000	550 000	575 200
8541	85416456020CFQ41Z211	CCTV	1 200 000	1 000 000	1 000 000
8541	85416456020CFWM7Z211	METAL WALKTHROUGH DETECTOR X RAY SCANNER	2 000 000	-	-
8541	85416473520CFA8Z211	DEV IMPOUNDMENT YARD FOR STRAY ANIMALS	1 500 000	1 560 000	1 630 000
8541	85416473520CFWM8Z211	DEVELOPMENT INDOOR SHOOTING RANGE	2 000 000	3 000 000	3 000 000
8511	85116456020CFA5Z211	BLUE LIGHTS & SIRENS	200 000	208 000	217 360
8562	85626456020CFC8Z211	FIREFIGHT NOZZLE & MONITOR REPLACE PROG	210 000	-	-
8562	85626456020CFWV4Z211	FIREFIGHTING HOSE REPLACEMENT PROGRAMME	-	250 000	-
		TOTAL	10 990 000	7 899 200	7 797 984
		TOTAL OWN FUNDS	88 558 703	60 006 200	64 062 474

DETAIL OF EXPENDITURE CENTLEC	BUDGET 2025/2026	BUDGET 2026/2027	BUDGET 2027/2028
DIGITAL RADIO SYSTEM	1 500 000	1 250 000	1 000 000
COMPUTER EQUIPMENT (COVID-19)	1 500 000	1 567 500	1 606 688
IMPLEM BUSINESS CONT DISASTER RECOV INF	40 000 000	10 000 000	5 000 000
UPGRADE & REFURB COMPUTER NETWORK	10 000 000	10 450 000	2 000 000
BULK SMART METER INSTALLATION	500 000	522 500	535 563
METER REPLACEMENT PROJECT	35 000 000	36 575 000	37 489 375
VENDING BACK OFFICE	500 000	522 500	535 563
UPGRADE 132/11KV 20MVA DC SHANNON B	2 700 000	6 000 000	2 767 500
BOTSHABELO: ESTABLISHMENT OF 132KV (INDU	4 050 000	6 032 250	4 151 250
ELECTRIFICATION INTERNAL PROJECTS	4 050 000	4 232 250	4 338 056
EXTENSION AND UPGRADING OF THE 11KV NETW	3 600 000	3 762 000	3 856 050
BOTSH: UPG SUB W (C/WORK B/W 2ND TRA S/D	9 675 000	10 110 375	10 363 134
BLOEM: C/Y-EST 33/11KV 20MVA FIRM SUPDC	9 000 000	9 405 000	9 640 125
BLOEM: N/STAD-UPG 132/11KV 20MVA FIRM DC	4 500 000	4 702 500	4 820 063
INFRA CATALYST PROJECTS	7 650 000	7 994 250	6 194 106
PUBLIC ELECTRICITY CONNECTIONS	14 500 000	15 152 500	15 531 313
UPGRADING AND EXTENSION OF LV NETWORK	3 150 000	3 291 750	3 374 044
SERVITUDES LAND (INCL INVEST REMUNE REG	630 000	658 350	674 809
INSTALLATION OF PUBLIC LIGHTING	5 040 000	5 266 800	5 398 470
INSTALL PREPAID METERS (INDIGENT)	450 000	470 250	482 006
ESTABLISHMENT OF NEW 30MWP SOLAR FARM	2 250 000	2 351 250	2 410 031
REPLACE DECRYPT CABLES MV-HV	6 300 000	6 583 500	6 748 088
REMEDIAL WORK 132KV SOUTHERN LINES	7 200 000	7 524 000	7 712 100
SHIFTING OF CONNECTION AND REPLACEMENT S	2 250 000	2 351 250	2 410 031
REFURBISHMENT OF HIGH MAST LIGHTS	7 650 000	7 994 250	5 029 525
REP LOW VOLT DECREPIT 2/4/8 WAY BOXES	1 890 000	1 975 050	2 024 426
REP BRITTLE OVERHEAD CONNECTIONS	1 125 000	1 175 625	1 205 016
REPLACE DECRYPT CABLES MV-HV	2 250 000	2 351 250	2 410 031
S/LIGHTS REPLACE POLE TRNS POLES SECTION	3 150 000	3 291 750	3 374 044
PROTECTION TEST UNIT	1 800 000	1 881 000	1 928 025
REPLACEMENT OF 110V BATTERIES	1 800 000	1 881 000	1 928 025

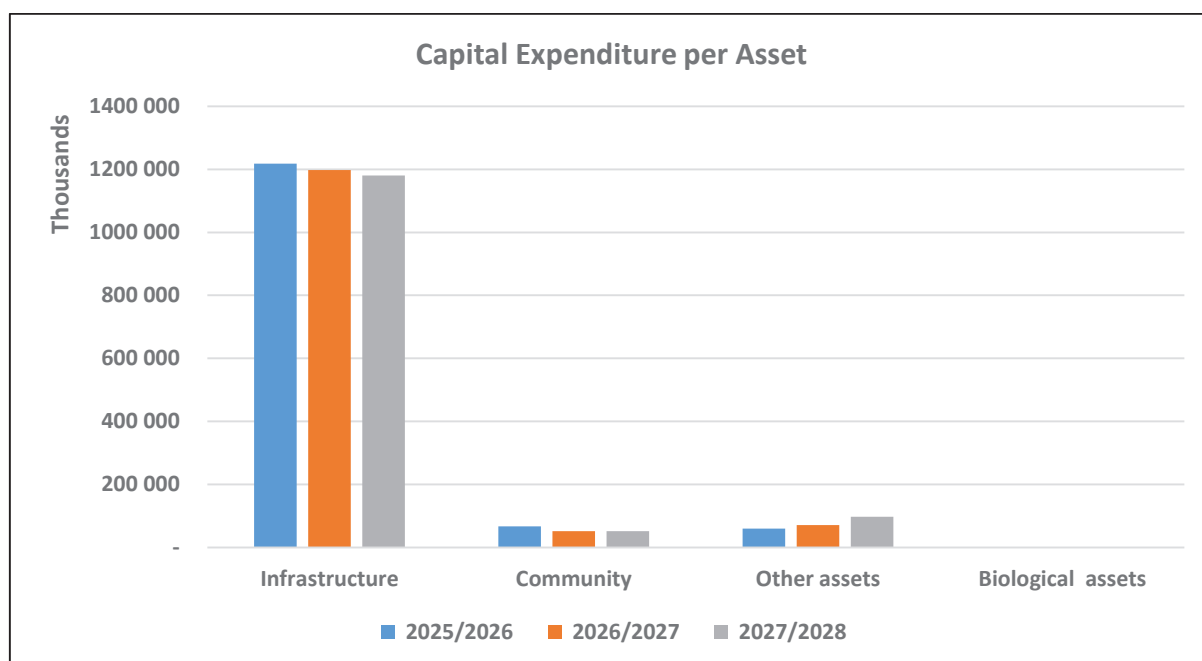
DETAIL OF EXPENDITURE CENTLEC	BUDGET 2025/2026	BUDGET 2026/2027	BUDGET 2027/2028
REPLACEMENT OF 11KV SWITCHGEARS	3 150 000	3 291 750	3 374 044
REPLACEMENT OF 32V BATTERIES	1 800 000	1 881 000	1 928 025
REFUR PROTEC & SCADA SYSTEMS DIST CENTR	900 000	940 500	964 013
TRANSFORMER REPLACE & OTHER RELATED EQUI	22 500 000	23 512 500	24 100 313
INSTALLATION OF HIGH VOLTAGE TEST EQUIPM	2 250 000	2 351 250	2 410 031
REPLACEMENT OF OIL PLANT	900 000	940 500	964 013
REPAIR MMM DIST DIST CENTRE	1 800 000	1 881 000	1 928 025
REPAIR VISTA DIST DIST CENTRE	4 500 000	4 702 500	4 820 063
VEHICLES	8 000 000	8 360 000	4 000 000
SECURITY EQUIPMENT	3 000 000	6 000 000	3 075 000
FURNITURE AND OFFICE EQUIPMENT	200 000	209 000	214 225
OFFICE BUILDING	10 000 000	15 000 000	5 000 000
TOTAL	254 660 000	246 395 700	209 715 205

6.5 Capital Budget per Asset Class

The table below provides the user of the budget document with an indication of the resource allocation. Assessing the infrastructure backlog remains the metro's top priority as regards the capital budget. That is, R1,34 billion, will be spent on addressing infrastructure services backlogs, formalisation of informal settlements and Public Transport.

MANGAUNG AND CENTLEC		CAPITAL ESTIMATES		
STANDARD CLASSIFICATION PER ASSET CLASS	Code	BUDGET 2025/2026	BUDGET 2026/2027	BUDGET 2027/2028
INFRASTRUCTURE				
Roads, Pavements, Bridges & Storm Water	0300	190 355 787	207 287 658	221 666 610
Water Reservoirs & Reticulation	0400	191 947 704	194 728 690	199 581 450
Car Parks, Bus Terminals and Taxi Ranks	0500	144 716 571	117 773 889	118 470 056
Electricity Reticulation	0600	321 660 000	316 410 700	281 480 580
Sewerage Purification & Reticulation	0700	305 868 798	340 845 167	350 059 683
Housing	0800	55 297 900	10 974 667	8 000 000
Street Lighting	0900	-	-	-
Refuse sites	1000	7 586 000	9 823 062	769 553
Gas	1100	-	-	-
Other	1200	-	-	-
COMMUNITY				
Establishment of Parks & Gardens	1500	39 490 000	40 359 496	33 473 023
Sportsfields	1600	27 000 000	11 000 000	18 000 000
Community Halls	1700	-	-	-
Libraries	1800	-	-	-
Recreational Facilities	1900	500 000	-	-
Clinics	2000	-	-	-
Museums and Art Galaries	2100	-	-	-
Other	2200	-	-	-
HERITAGE ASSETS				
Heritage Assets	2311	-	-	-

MANGAUNG AND CENTLEC		CAPITAL ESTIMATES		
STANDARD CLASSIFICATION PER ASSET CLASS	Code	BUDGET 2025/2026	BUDGET 2026/2027	BUDGET 2027/2028
INVESTMENT PROPERTIES				
Investment Properties	2321	-	-	-
OTHER ASSETS				
Other motor vehicles	2500	-	-	-
Plant & equipment	2600	10 990 000	7 899 200	7 797 984
Computers	2650	600 435	-	-
Office equipment	2700	16 028 268	550 000	600 000
Abattoirs	2800	-	-	-
Markets	2900	1 000 000	1 000 000	1 000 000
Airports	3000	-	-	-
Security Measures	3100	-	-	-
Civic Land and Buildings	3110	15 946 000	13 088 685	14 024 952
Other Land and Buildings	3120	-	-	-
Other	3200	15 000 000	48 000 000	74 347 000
SPECIALIZED VEHICLES				
Refuse	3500	-	-	-
Fire	3600	-	-	-
Conservancy	3700	-	-	-
Ambulances	3800	-	-	-
Buses	3900	-	-	-
AGRICULTURAL ASSETS				
Agricultural Assets	4011	-	-	-
BIOLOGICAL ASSETS				
Biological Assets	4021	-	-	-
INTANGIBLES				
Intangibles	4031	-	-	-
		1 343 987 464	1 319 741 214	1 329 270 892



7. LONG-TERM BORROWING

The municipality has not taken any new long-term borrowings in the current financial year to fund the capital budget as per S18 of the MFMA. Due to the current financial crisis, no new long-term loans can be entered into for the foreseeable future. The municipality has always been very conservative when taking up new loans and always gave due consideration to the impact it will have on tariffs increases and the affordability of tariffs which can negatively impact the municipality's ability to service new loans taken up. The Current and Debt (Total Borrowings) / Revenue ratios has always been above the norm, however from the FRP perspective the municipality will not be able to meet any additional long-term commitments.

8. NATIONAL TREASURY ENGAGEMENTS

The metro is a non-delegated municipality and as such, the budget process and in-year reported are overseen by National Treasury. The summary below presents the engagements held with National Treasury.

8.1 Budget Benchmark Exercise Report – 2024/25 MTREF

The budget benchmark report of May 2024 highlighted the following:

8.1.1 Institutional Issues

After tabling of the budget of 2024/25 MTREF, the city held Budget Benchmark Exercise with National Treasury, such meeting took place on the 10th of May 2024. The exercise entails the assessment of Mangaung Budget as it compares with other metros and other non-delegated municipalities. The summary report on National Treasury in as far as Mangaung is concerned, highlighted the following:

Implementation of FRP: National Treasury acknowledged the fact that the city has adopted a Financial Recovery Plan and established the War Room which is co-chaired by NT and CoGTA. The first sitting of the war room take place in March and the city demonstrated committed and will to implement the recommendations made in the report. This was highlighted to ensure that the city understands its point of departure and the implications thereof.

Eskom Debt Relief: National Treasury also acknowledged the city's participation in the Eskom Debt Relief Program which was approved in March of 2023, for the period 1 July 2023 to June 2024, with the hope that if all conditions are met or at least met the criteria to qualify for the write off, a sum of R135 million will reduce the long term debt owed to Eskom, and this cause assisted with achieving a funded budget.

Consolidated billing (City and CENTLEC): Due to lower than the norm average collection for services, National Treasury proposed a consolidated billing/collection by both Mangaung and CENTLEC using the mechanisms that could be derived from the consolidation which is using the suspension of electricity purchases to collect on all services and rates raised by the city. The matter has been investigated and it is indeed possible.

mSCOA non-compliance: As also indicated in the Data Strings Analysis report, the sitting was lagging behind with mSCOA Regulation's implementation to an extent that it had mSCOA Roadmap. National Treasury intended to send a team, which was sent in May of 2024 to assess the level of system functionality compliance against MFMA Circular 80 and the ICT due diligence template as per MFMA mSCOA Circular 5 as issued.

Financial Health: The city's budget was surplus generating, however, the calculations made by council and those done by National Treasury differed due to the identified under estimation of depreciation and debt impairment. The NT's calculation was that the city should budget for 27% for debt impairment as per the realistically projected revenues and collection rate. It was further noted that the city has track record of overspending, which even the budgeted surpluses are eroded as a result of unauthorized expenditure and there was no concrete plan in place to identify and prevent the occurrence of UIFW in totality.

National Treasury noted the reduced expenditure on contracted services which is seen as the step in the right direction to ensure that we rather build institutional internal capacity. The city was encouraged to continue on this trend into the future.

The cashflow of the city was projected to close with a positive cash balance that was projected to increase from R475m to R1bn by 30 June 2026. The collection rate is crucial for the building of reserves and cash for the city.

The city was found to have met below the norm ratios measuring liquidity, solvency and sustainability, as well as grant dependency in implementing council aspirations as contained in the IDP which leaves little to no discretion on who to apply the gazette grants, as the framework would dictate which projects qualified for funding under each grant.

On service delivery, National Treasury an 80% grant dependency in terms of the Capital Expenditure broken down as 45% to trading services and 54% of that allocated to water and sanitation. Upgrading of informal settlements leading to demand for services. Also, it was noted that the city submitted a business plan for social infrastructure on heritage which was in the process of consideration by the team dealing project preparation for submission under NDPG.

It was confirmed that the city is within the norm in as far as CAPEX to Total Expenditure is concerned, as the budget was 11,9% versus 10-20% norm.

The Budget Benchmark Exercise Report recommended that:

- The City should consider centralising grant management to strengthen the efficiency of coordination to improve on spending of the infrastructure grants through Planning, Budget Office and Project Management Office;
- The City should introduce the development charges policy and calculator that can be used to derive realistic revenue that should contribute to maintenance of the infrastructure instead of allowing developers to operate for free;
- The National Treasury provides guidance to the City on how to determine and implement the developmental charges;
- The City should invest in economic enabling infrastructure to attract investments that will stimulate the local economy and create employment;
- City corrects errors in the ORGB (original budget) data strings and address the gaps identified in the TABB (tabled budget). All corrections should be made on the data strings of the final budget, thereafter, submit to the National Treasury for assessment before taking it to the Council for adoption; and
- The City needs to stop all the preparatory work associated with establishment of the Metro Police until the National Treasury is consulted on the matter.

8.2 Mid-term visit report

As per the calendar, National Treasury visited the city on the 17 and 18 of February for the mid-term visit. The findings of the mid-term visit highlighted the following:

- Institutional Arrangements – the city is distressed
 - Organogram yet to be approved by council
 - Top heavy structure (will be worse with two new directorates coming wef 1 July)
 - Overtime
 - Infrastructure security (city is spending more security costs on community services than technical or key points)
- Financial health – the city is distressed
 - R8.5bn budget of 2023/24 was overspent by R2.2bn
 - Service charges under performed, especially electricity sales

- The city had cash and cash equivalents of R495m against R2.8bn of payables with an additional R141 unspent grants which was counter funded by the reserves set up for grants received.
 - Cash coverage below a month
 - Debtors book R12.3bn
- Financial governance – the city is on decline because of the following:
 - Qualified audit opinion
 - UIFW that is running away
 - Service delivery – was found to be distressed as a result of the SDBIP Performance of 52% 2023 and 58% 2024 – whilst budget spent is 112% for 2023/24 financial year.

8.2.3 Budget benchmark exercise 2025/26 MTREF

As part of stakeholder engagements as part public participation, National Treasury engaged with the city on its tabled budget on the 12th of May 2025, in Pretoria. The engagement involves the assessment of the budget assumptions made in developing the budget, the alignment of the IDP with other national and provincial strategic objectives, the economic indicators, the past and current performance and the deviation from the projections of the prior MTREF with the new MTREF presented. The process also involves benchmarking the city's budget with that of other metros, thus assessing affordability of services and service level committed to in the budget.

A highlight from the engagement relate to issues of financial health, financial governance and state of service delivery. In assessing the budget, National Treasury made assumptions that the city's collection rate will average 74% for 2025/26 financial year whilst the city was conservative at 80% whilst aspiring to achieve 85%. Despite the variance in assumptions, the budget remained funded provided that the city honors the commitments made in terms of Vaal Central and Eskom Debt Relief program as part of instruments used by National Treasury in support of municipalities to get out of indebtedness in as far their bulk accounts relate.

The budget was also found to be credible and relevant. No adjustments were made after the engagement with National Treasury, except for corrections on number of households receiving free basic services.

8.3 Adjustment Budget Review Report

The city approved an adjustment budget that was recommended by the Executive Mayor after having considered the mid-term assessment report of the City Manager in terms of MFMA Sec 72, a report was tabled in terms of MFMA Section 52 (f) of MFMA. The mid-term report projected a risk in as far as spending of ISUPG and USDG as allocated to Human Settlements and Installation of civil services, excluding electricity and precautionary measures had to be put in place to avoid forfeiting of funds at year end. It is for this reason that budget was re-allocated from Human Settlements upgrade to services such as electricity and energy, sanitation and to roads and stormwater upgrade/installation projects.

On the operating budget, it was noted that revenue should reach the required level and that on the expenditure side, it became necessary to curtail certain expenditure categories to prevent unauthorised expenditure in employee costs whilst adjusting depreciation and impairment to higher levels covering at least the actuals of 2023/24 as per the audited statements.

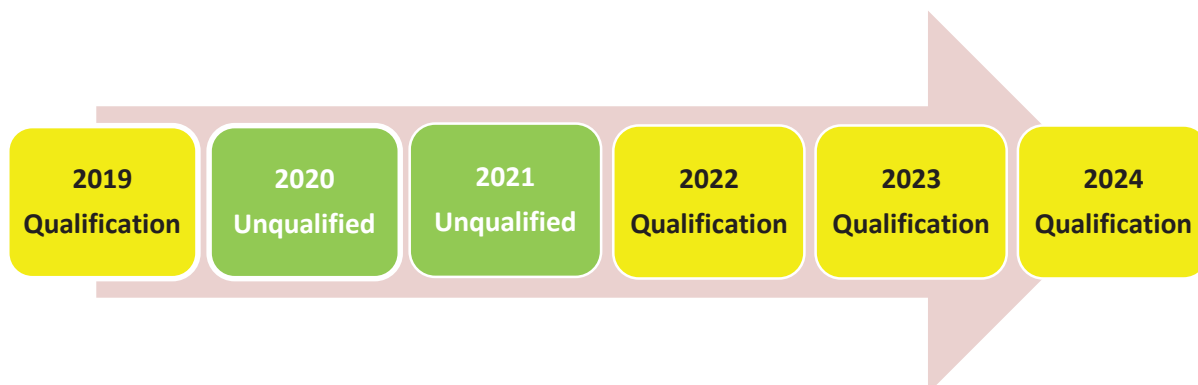
The full year forecast on the 2024/25 financial year is a surplus of R1.52 billion after considering the city's obligations such as long term loans and capital expenditure. These forecasts laid the foundation of the 2025/26 MTREF.

8.4 Audited Actuals 2023/24

The city received its audit report on the 12th of December 2024 and the consolidated financial audit report was issued in January 2025 with a "qualified audit opinion", which is the third in the row. The city is grappling with substantiating on overtime worked which is being attended to by Corporate Services though the development of Overtime Policies and Standard Operating Procedures which are aimed at resolving the qualification.

History of audit opinions and qualification paragraphs

The outcome of the audit has highlighted certain aspects of the risk we are faced with of going concern and the following is highlighted below:



Liquidity Forecast: Though the city's cash and cash equivalents were not covering the entirety of creditors, from cash to creditors point of view, the city demonstrated ability to meet its obligations. The creditors days showed improvements as well year on year. The city is placing focus on collection and suppression of expenditure to build on reserves and cash balances. We are aiming at 1:1 ratio at first and steadily increase this to the 2:1 which is a norm, in as far as current assets vs current liabilities.

Sustainability Forecast: The city wishes to move from living from hand to mouth and start building cash surpluses of 3 months as the best case. Over and above, billing issues needs to be resolved as soon as possible for the city to know the revenue generation capability, ensuring that trading services become profitable and contribute to the rates revenue. Tariffs will soon be investigated upon appointment of the Billing Manager as the city wants to make sure that the tariffs determined for various services at least recovers the costs or providing such service. As things stands, all trading services are generating deficit which cannot be the norm.

Part of sustainability is an equitable valuation roll, where every property owned is identified, checked if they are paying rates and services as well as credibility of the debtor Masterfile is the foundation of revenue generation and billing.

Financial Governance deals with financial management environment including staff discipline in spending the budget. One of the key issues that led to the city being financially distressed were budget implementation with no parameters, and this requires culture change, accountability, decisiveness and enforcement. The successfulness of the plan is seen with audit outcomes, clean audit or nothing.

The city received a qualified audit opinion which was based on overtime. The AGSA recommendations in this regard are practical and achievable, being, an approved Overtime Policy and Standard Operating Procedures per section dealing with circumstances surrounding need for overtime and approval processes. All these are currently under development however, Overtime Policy will be approved by Council.

9. WATER AND SANITATION TRADING BUSINESS REFORMS

The city is participating in the Water and Sanitation Trading reforms since April 2024 which started with engagements with National Treasury. The reforms are becoming effective from 1 July 2025 with the establishment of the new directorate, Water and Sanitation which is splitting from Technical Services as per the approved organogram. Attached to this Budget Statement Tabling, is Template A3 which indicates the commitments the city is making to ensure successful implementation.

10. SALE OF BUSINESS – CENTLEC DUE DILIGENCE REPORT

The city established the entity for electricity trading services, with full responsibility of distribution and retail. The original sale of business agreement has been revised by means of various addendums, as of last year, due to inability of the entity to fulfil the obligations of making loan repayments since the inception of contract, council has requested that due diligence be conducted to enable it to take an informed decision.

The submission of the due diligence report was by no later than 28 February 2025. The Executive Mayor has since submitted an apology with a new commitment date of by no later than 30 April 2025. The process is well underway, no pre-emption can be made at this point until the final report is submitted.

11. NEW POLICIES (PROPOSED)

As per the Municipal Budget and Reporting Regulations, the preparation of the annual budget must be informed by Budget Related policies. The list below is an indication of such policies and other institutional policies that impact on budget assumptions, budget implementation and monitoring as well as sustainability and going concern of the city

11.1 List Of Budget Policies

Name of the policy	Reviews Summary	
Supply Chain Management Policy	Provided – public participation	Annexure J
Cost containment policy	Provided – public participation	Annexure N
Virement policy	Provided – public participation	Annexure I
Travel and Subsistence Policy	Provided – internal policy	
Skills Development Policy	Provided – internal policy	
Study Assistance Scheme	Provided – internal policy	
Overtime Policy	Provided – internal policy	
Debt Write Off Policy	Provided – public participation	Annexure B
Credit Control and Debt Collection Policy	Provided – public participation	
Indigent Management Policy	Provided – public participation	Annexure G
Principles and Policy on writing off of Irrecoverable Debt	Provided – public participation	Annexure F
Property rates policy	Provided – public participation	Annexure C
Investment Incentive Policy	Provided – public participation	Annexure K
Cash and Investment Management Policy	Provided – internal policy	
Assets Management Policy	Provided – internal policy	
Expenditure Management Policy	Provided – internal policy	
Policy on the Identification and Prevention of UIFW	Provided – internal policy	
Tariff Policy	Provided – public participation	Annexure E
Policy on In-kind grants and donations	Provided – public participation	Annexure H
Payments Policy	Provided – internal policy	
Subsequent Events Policy	Provided – internal policy	

12. THE POLITICAL OVERSIGHT

Section 53(1) (a) of the MFMA, states that, the Mayor of a municipality must provide political guidance over the budget process and the priorities that must guide the preparation of the budget. The Executive Management Team and the Budget steering and Mayoral Committee advise Council accordingly. Political oversight of the budget process allows Government, and in particular, the municipality to manage the tension between competing policy priorities and fiscal realities.

The key to strengthening the link between priorities and spending plans lies in enhancing political oversight of the budget process. Strengthening the link between Government's priorities and spending plans is not an end in itself, but the goal should be enhanced service delivery aimed at improving the quality of life for all people within the municipality. The Executive Management Team has a significant role to play in the financial planning process.

13. PUBLIC PARTICIPATION AND CONSULTATIONS WITH STAKEHOLDERS

Local government policy and legislation put great emphasis on municipalities developing a culture of community participation and the creation of appropriate and relevant community participation mechanisms, processes and procedures. The municipality strives to actively engage as many of its citizens as possible in its planning, budgeting, implementation and monitoring processes.

In order to strengthen public participation, the municipality must improve in its outreach programme to all wards led by the office of the Executive Mayor. Accordingly, the draft budget was tabled via a council meeting scheduled on 28th March 2025. This was followed by extensive publication of the budget documentation on the municipal website, in local newspapers, local and community radio stations and ward-based participation process. The consultative process on the budget was conducted during April and May 2025. The adopted budget in electronic formats was submitted to National Treasury and the Free State Provincial Treasury.

In terms of the Municipal Systems Act and in conjunction with the Municipal Finance Management Act, hearings on the budgets were held during April and May 2025.

Legislation mandates the Council of a municipality to encourage the involvement of the local community and to consult the local community about (i) the level, quality, range and impact of municipal services provided by the municipality, either directly or through another service provider and (ii) the available options for service delivery. Legislation places special emphasis on gender equity. It instructs municipalities to promote gender equity in the exercise of the municipality's executive and legislative authority.

Legislation further accords members of the local community the right to (i) contribute to the decision-making processes of the municipality and (ii) submit written or oral recommendations, representations and complaints - to the municipal council or to another political structure or a political office bearer or the administration of the municipality. Moreover, residents have the right to be informed of decisions of the municipal Council affecting their rights, and property.

In this instance the office responsible for IDP published the dates, venues and times on the City's website and through other media publications. This was one of the means of communication utilised to communicate with communities and other stakeholders including the internal structures who were also encouraged to participate and be afforded an opportunity to make comments, inputs and write submissions as required by legislation. The schedule of those meetings is presented below:

Dates	Day	Venue	Time	Required Attendees	Proposed Programme
EXTERNAL MEETINGS					
15 April 2025	Tuesday	Indaba Auditorium Business Sector	09:00 - 12:00	<ul style="list-style-type: none"> Executive Mayor or Deputy Executive Mayor Members of Mayoral Committee EMT and GMs Business Community 	<ul style="list-style-type: none"> Draft IDP Sectoral Plans Draft Budget Budget Related policies
15 April 2025	Tuesday	Bloemfontein City Hall, Zone 1, 4, 5 and part of Zone 4 ward 16 & 47	17:00 - 19:00	<ul style="list-style-type: none"> Executive Mayor or Deputy Executive Mayor Members of Mayoral Committee EMT and GMs Ward Cllrs Community Members NGOs 	<ul style="list-style-type: none"> Sectoral Plans Draft Budget Budget Related policies
16 April 2025	Wednesday	Bloemfontein Kagisanong Hall Zone 2 & 3	17:00 - 19:00	<ul style="list-style-type: none"> Executive Mayor or Deputy Executive Mayor Members of Mayoral Committee EMT and GMs Ward Cllrs Community Members NGOs 	<ul style="list-style-type: none"> Draft IDP Sectoral Plans Draft Budget Budget Related policies
23 April 2025	Wednesday	Botshabelo H.Hall Zone 6	17:00 - 19:00	<ul style="list-style-type: none"> Executive Mayor or Deputy Executive Mayor Members of Mayoral Committee EMT and GMs Ward Cllrs Community Members NGOs 	<ul style="list-style-type: none"> Draft IDP Sectoral Plans Draft Budget Budget Related policies

Dates	Day	Venue	Time	Required Attendees	Proposed Programme
24 April 2025	Thursday	Botshabelo Samson Sefuthi Hall Zone 7	17:00 - 19:00	<ul style="list-style-type: none"> Executive Mayor or Deputy Executive Mayor Members of Mayoral Committee EMT and GMs Ward Cllrs Community Members NGOs 	<ul style="list-style-type: none"> Draft IDP Draft Budget Sectoral Plans Budget Related policies
25 April 2025	Friday	Thaba Nchu Civic Center (Municipal Offices)	17:00 - 19:00	<ul style="list-style-type: none"> Executive Mayor or Deputy Executive Mayor Members of Mayoral Committee EMT and GMs Ward Cllrs Community Members NGOs 	<ul style="list-style-type: none"> Draft IDP Draft Budget Sectoral Plans Budget Related policies
INTERNAL MEETINGS					
07 May 2025	Wednesday	Indaba Auditorium	09:00 - 12:00	<ul style="list-style-type: none"> Executive Mayor or Deputy Executive Mayor Members of Mayoral Committee EMT and GMs Ward Cllrs 	<ul style="list-style-type: none"> Outcomes of the Public Consultations Budget Debate
09 May 2025	Friday	Committee Rooms A & B	09:00 - 12:00	<ul style="list-style-type: none"> IDP and Budget Steering Committee 	<ul style="list-style-type: none"> Finalization of the IDP and Budget priorities
12 - 20 MAY ALL OTHER INTERNAL PROCESSES INCLUDING COUNCIL COMMITTEES WILL TAKE PLACE					
23 May 2025	Friday	City Hall	09:00 - 12:00	<ul style="list-style-type: none"> Speaker Executive Mayor Deputy Executive Mayor EMT Officials All Stakeholders 	<ul style="list-style-type: none"> State of the City Address



PART C

1. DETAILED BUDGET AND BUDGET NARRATIVES

The municipality's Integrated Development Plan (IDP) is its principal strategic planning instrument, which guides and informs its on-going planning, management and development actions. The IDP represents the city administration's commitment to exercise its executive authority (except in cases where it conflicts with national or provincial legislation, in which case such legislation prevails), and is effectively the local government's blueprint by which it strives to realise its vision for Mangaung Municipality over the short, medium and long term.

However, while the IDP represents the strategic intent of the municipality, it is also compiled with the understanding that several challenges will need to be overcome in order to achieve the strategic objectives it sets out. Some of these challenges are known, while others are as yet unknown and may arise at any time due to any number of national and international economic, political or social events.

1.1 Development challenges

The municipality is making significant strides in addressing the key development challenges. While significant progress has been made in all areas, there is still some distance to go towards addressing the following challenges:

- High and unsustainable water losses
- High rates of unemployment and low economic growth;
- Influx from neighbouring country of Lesotho
- High levels of poverty;
- Low levels of skills development and literacy;
- Limited access to basic household and community services for informal (unplanned and illegal) settlements;
- Unsustainable developmental practices;
- High levels of crime and risk;
- Ensuring adequate clean and safe water and energy supply;
- Infrastructure degradation especially water distribution pipeline, sewer collector network and backlog on roads;
- Climate change;
- Ensuring financial sustainability under the prevailing economic conditions;
- Ineffectiveness and inefficiency of inward-looking local government still prevalent in the municipality, and silo- approach in development and service delivery space

The essence of our IDP is to achieve a balance between meeting basic needs, strengthening the economy and developing people skills and a technology base for the future. In an effort to achieve the NDP 2030 vision, the municipality has identified four priority areas of intervention for the next five years which need to be balanced and integrated, and these are:

- Inclusive growth
- Spatial transformation
- Governance
- Service provision

Given the strategic framework that has been outlined it is clear that the municipal budget must be a pro-growth budget that meets basic needs and builds on existing skills and technology, as we strive to lead and become modern.

1.2 IDP Key Objectives for the next 2 years

The Municipal Systems Act requires that each municipality prepare an Integrated Development Plan to serve as a tool for transforming local governments towards facilitation and management of development within their areas of jurisdiction. The IDP is a five year plan whose principal purpose is to ensure the development of the local community

in an integrated manner which involves all directorates of the municipality, relevant strategic stakeholders and the community. In the five-year review, the key strategic objectives will continue to guide the municipality, but has once again been refined and refocused to our strategic programmes, so as to respond more effectively to the key challenges.

1.3 IDP Review process and stakeholder participation

The IDP is reviewed annually to inculcate a democratic approach to local governance by ensuring all stakeholders get an opportunity to voice their opinions in influencing the shape, form, direction and pace of development in their localities. The municipality is committed to addressing the needs of the people and values the inputs from communities and stakeholders. The process plan specified timeframes, actions and procedures and appropriate mechanisms for public participation and alignment.

This fifth generation of Mangaung's Integrated Development Plan (IDP) focuses on translating our Municipal Vision into action. As set out in the Municipal Systems Act (2000), in the review of the five-year IDP, a stakeholder consultation process is necessary. Of critical importance is for the municipality to ensure that there is thorough consultation with the community and strategic stakeholders.

1.4 Link between IDP and Budget

In compliance with the Municipal Structures Act (1998) and Municipal Financial Management Act (2003), our municipal budget is informed and aligned to the IDP objectives. The IDP determines and prioritises the needs of the community. The budgetary allocations for both the capital and operating expenditure are undertaken in a manner that will not only ensure that our IDP outcomes are achieved but also to ensure that our municipality's vision is realised. The 2025/26 MTREF will therefore, be directly informed by the IDP revision process and Table SA4, SA5 and SA6 provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

In as far as the operating budget is concerned, the municipality has made excellent progress but are now more committed than ever to ensure that critical operating budget resources are prioritised in terms of stated IDP outcomes. More importantly, the Performance Management System (PMS) allows the municipality an opportunity to monitor and evaluate individual and organisational performance in meeting our IDP outcomes and vision. As with previous year's, our IDP remains the strategic driver of both our budget and performance management system.

2. MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK OUTLOOK: 2025/26 – 2027/28

The 2025/2026 budget will be prepared in compliance with the MFMA (No 56 of 2003). The MTREF is a financial plan that enables the municipality to achieve its vision and mission through the IDP Strategy which is informed by the development agenda and community/stakeholder inputs.

This process will be aligned to the Strategic Development Objectives of the IDP as well as the budget as outlined below:

- i. Spatial Transformation: Implement an integrated and targeted strategy that transforms the spatial and economic apartheid legacy of Mangaung.
- ii. Economic Growth: Boost economic development in Mangaung by strengthening organisational performance.
- iii. Service Delivery Improvement: Strengthen service delivery as a top priority for economic growth.
- iv. Financial Health Improvement: Implement a financial recovery plan that rebuilds financial strength
- v. Organisational Strength: Strengthen the organisation – the heart of it all

3. OPERATING REVENUE BUDGET - HIGHLIGHTS AND REASONS FOR SIGNIFICANT VARIANCES

3.1 Operating revenue framework

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

Table A4 give an overview of the budgeted financial performance in relation to the revenue by source and expenditure by type. This table facilitates the view of the budgeted operating performance in relation to indicates the sources of funding and on what activities are the scarce resources to be spend on:

MAN Mangaung - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1										
Revenue											
Exchange Revenue											
Service charges - Electricity	2	2 876 406	2 995 230	3 281 396	4 145 552	4 277 512	4 277 512	2 918 668	4 419 517	4 700 405	5 037 854
Service charges - Water	2	1 059 678	1 145 911	1 316 838	1 439 110	1 439 110	1 439 110	1 295 585	1 645 063	1 775 670	1 954 835
Service charges - Waste Water Management	2	400 574	473 541	475 634	558 604	558 604	558 604	458 582	589 015	621 676	643 590
Service charges - Waste Management	2	150 197	169 383	182 417	197 710	197 710	197 710	159 010	200 849	211 986	219 458
Sale of Goods and Rendering of Services		34 263	33 006	38 143	67 527	70 464	70 464	50 058	67 108	107 941	216 423
Agency services											
Interest											
Interest earned from Receivables		280 313	446 858	575 221	514 053	595 131	595 131	533 918	618 133	602 517	586 685
Interest earned from Current and Non Current Assets		18 214	62 163	79 386	78 241	78 241	78 241	81 183	87 518	85 773	83 875
Dividends	3	12	12	8	12	12	12	7	10	9	9
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		49 217	48 084	54 518	48 414	48 414	48 414	36 448	47 274	49 401	50 636
Licence and permits											
Special rating levies											
Operational Revenue		366 680	59 032	36 106	42 268	55 018	55 018	29 197	43 081	45 047	46 233
Non-Exchange Revenue											
Property rates	2	1 387 795	1 508 845	1 448 159	1 654 053	1 654 053	1 654 053	1 424 036	1 744 100	1 840 810	1 905 699
Surcharges and Taxes											
Fines, penalties and forfeits		12 076	18 935	95 525	32 250	32 250	32 250	22 295	52 207	53 882	54 854
Licences or permits		1 194	1 440	1 338	1 507	1 507	1 507	1 493	1 827	1 909	1 957
Transfer and subsidies - Operational		877 604	986 537	1 235 678	1 275 488	1 300 047	1 300 047	1 195 591	1 361 141	1 405 025	1 476 880
Interest		73 192	124 636	172 226	150 408	150 408	150 408	171 273	195 462	189 598	183 910
Fuel Levy		-	363 435	405 248	443 643	443 643	443 643	443 643	427 562	414 732	399 600
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		169 018	19 993	49 142	9 900	9 900	9 900	-	10 335	10 800	11 070
Other Gains		(51 425)	(71 341)	8 250	1 385	130 325	130 325	42	130 386	130 451	1 549
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)		7 704 998	8 385 699	9 455 233	10 660 125	11 042 350	11 042 350	8 821 029	11 640 587	12 247 632	12 875 117

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

Table A3 gives an overview of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.

MAN Mangaung - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue by Vote	1									
Vote 01 - City Manager		0	0	0	1	1	1	0	0	0
Vote 02 - Executive And Council		-	-	-	1	1	1	1	1	1
Vote 03 - Corporate Services		136 039	2 459	4 576	27 429	27 429	27 429	13 720	2 064	2 116
Vote 04 - Financial Services		1 653 176	1 842 263	1 932 595	2 062 575	2 062 575	2 062 575	1 988 126	2 079 725	2 139 283
Vote 05 - Community And Social Development		469 072	486 212	547 572	564 725	564 725	564 725	569 095	598 241	619 312
Vote 06 - Planning And Human Settlement		15 113	(17 372)	96 590	52 158	64 908	64 908	60 743	63 473	65 058
Vote 07 - Economic And Rural Development		33 326	33 985	35 292	35 935	35 935	35 935	40 073	41 839	42 859
Vote 08 - Roads And Transport		16 341	17 787	15 837	19 257	22 194	22 194	18 062	65 646	173 071
Vote 09 - Water And Sanitation		2 041 336	2 459 962	2 779 542	2 968 533	2 968 533	2 968 533	3 637 425	3 840 129	4 068 720
Vote 10 - Municipal General		1 498 092	1 492 754	1 522 911	1 783 622	1 532 708	1 532 708	1 717 004	1 683 093	1 720 464
Vote 11 - Public Safety And Security		445	100	821	28 490	28 490	28 490	26 025	27 196	27 876
Vote 12 - Centlec		2 966 774	3 127 394	3 398 832	4 272 241	4 642 221	4 642 221	4 707 325	4 995 362	5 208 022
Vote 13 - N/A1		-	-	-	-	-	-	-	-	-
Vote 14 - N/A		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	0	-	-	-	-	-	-	-
Total Revenue by Vote	2	8 829 715	9 445 545	10 334 569	11 814 967	11 949 719	11 949 719	12 777 598	13 396 771	14 066 782

The total consolidated revenue budget is projected at R12,78 billion in 2025/26 (including capital grants), representing an increase in revenue of R827,88 million (6,93%) on the 2024/25 Adjustment Budget of R11,95 billion. The allocation for the outer two years of the MTREF period is R13,40 billion and R14,07 billion respectively. Revenue generated from rates and services charges forms a significant part of the revenue basket of the city. Rates and service charges constitutes 73,87% (2024/25 Adjustment Budget – 73.60%) of the budgeted revenue in the 2025/26 budget year.

Details of the revenue by source are as outlined below: Table A4

3.1.1 Property Rates

The property rates revenue is projected at R1,74 billion in 2025/26 (R1,65 billion in the 2024/25 adjustment budget) representing an increase of R90,05 million (5.44%) on the 2024/25 adjustment budget. The projection for the outer two years of the MTREF period is R1,84 billion and R1,91 billion respectively.

The following factors contributed to the effective increase of 5.44% compared to the approved 2024/25 adjustment budget in the rates revenue:

- The average increase of the rates tariff by 4,40%.
- The expected growth of the city by 1.00%.

The following factors were considered in the determination of the increase of the tariffs by 4.40%:

- The inflation rate of 4.40% as per Circular 129 issued by National Treasury on 10th of December 2024.
- Impact of the growth of the city.
- Service delivery initiatives and requirements of the city.
- The affordability and ability of consumers to pay for rates and services.

The general property rates tariffs for the Mangaung Metropolitan Municipality have been determined to increase by average of 4.40% on average for the 2025/26 financial year and by 4.50% and 2.50% on average respectively for the two outer years.

In addition to the statutory exemption of R 15 000 allocated to each residential property in terms of the Municipal Property Rates Act, the City has set the threshold limit to R100 000 for all residential properties i.e., all residential properties are exempted from paying rates on the first R100,000 of the rateable property market value. This will provide some additional relief to residential households and especially to the poorer households. The projected rebate that the City is extending to all the residential properties is envisaged to be to the value of R112.52 million for the 2025/26 and R118,75 million and R122,94 million respectively for the MTREF.

MAN Mangaung - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		2 937 320	3 075 149	3 245 495	3 800 391	3 549 478	3 549 478	3 659 519	3 708 242	3 806 778
Executive and council		816	869	923	35	35	35	1 051	1 098	1 126
Finance and administration		2 936 505	3 074 280	3 244 572	3 800 357	3 549 443	3 549 443	3 658 468	3 707 143	3 805 652
Internal audit		—	—	—	—	—	—	—	—	—
<i>Community and public safety</i>		176 497	49 150	60 179	68 747	81 497	81 497	52 822	55 199	56 579
Community and social services		6 882	5 489	5 352	8 536	8 536	8 536	3 748	3 916	4 014
Sport and recreation		137 040	2 821	3 666	9 201	9 201	9 201	3 062	3 200	3 280
Public safety		6 404	14 015	23 303	28 490	28 490	28 490	26 025	27 196	27 876
Housing		26 159	26 808	27 828	22 499	35 249	35 249	19 946	20 843	21 364
Health		11	16	29	20	20	20	42	44	45
<i>Economic and environmental services</i>		43 296	34 694	60 218	35 448	38 385	38 385	36 799	85 227	193 141
Planning and development		27 193	18 487	44 091	14 982	14 982	14 982	18 174	18 992	19 466
Road transport		15 837	15 837	15 837	19 257	22 194	22 194	18 062	65 646	173 071
Environmental protection		265	370	290	1 209	1 209	1 209	563	589	603
<i>Trading services</i>		5 463 064	6 052 190	6 695 984	7 788 762	8 158 741	8 158 741	8 908 404	9 428 047	9 890 226
Energy sources		2 966 774	3 127 394	3 398 832	4 272 241	4 642 221	4 642 221	4 707 325	4 995 362	5 208 022
Water management		1 467 935	1 766 187	2 046 669	2 149 291	2 149 291	2 149 291	2 564 754	2 715 150	2 907 269
Waste water management		573 401	693 776	732 872	819 242	819 242	819 242	1 072 670	1 124 979	1 161 451
Waste management		454 954	464 835	517 611	547 987	547 987	547 987	563 654	592 555	613 485
<i>Other</i>	4	9	39	75	1 620	1 620	1 620	54	56	58
Total Revenue - Functional	2	8 620 185	9 211 223	10 061 951	11 694 967	11 829 719	11 829 719	12 657 598	13 276 771	13 946 782

In the 2025/26 budget year as well as the two outer years, revenue foregone to the value of R231,62 million and R244,47 million and R253,09 million is projected. This was done as to reflect that the total rebate of R100,000 (as well as any other similar rebates including agricultural and pensioners) that is applicable to all residential households in terms of the budget requirements as set out by National Treasury as well as relevant legislation.

In respect of qualifying senior citizens and disabled persons, the first R300,000 (Three hundred thousand only) of the rateable value of their residential properties is reduced from rates. The rebate of R300,000 of the rateable value of the residential properties of qualifying senior citizens and disabled persons only applies on properties with a market value not exceeding R2,500,000 (Two million and five hundred thousand rand only). The projected rates rebate is expected to be R11,68 million for 2025/26 and R12,32 million and R12,76 million respectively for the MTREF period. The beneficiaries are enrolled in terms of the Property Rates Policy.

Fines, Penalties & Forfeits

The fines, penalties & forfeits revenue is projected at R52,21 million in 2025/26 (R32,25 million in the 2024/25 adjustment budget) representing an increase of R19,96 million (61.88%) on the 2024/25 adjustment budget to align it to actual historical performance. The projection for the outer two years of the MTREF period is R53,88 million and R54,85 million respectively.

Transfers and Subsidies

The Metro is to receive grants and subsidies totalling R2,38 billion in 2025/26 (R2,09 billion in the 2024/25 adjustment budget) in a form of operating grants of R1,36 billion (R1,30 billion in the 2024/25 adjustment budget) and capital grants of R1,02 billion (R787,37 million in the 2024/25 adjustment budget). The grants and subsidies for the two outer years are projected at R2,43 billion and R2,55 billion respectively. For the detail breakdown of grants and subsidies to be received, see Supporting Table SA18.

Fuel Levy

The fuel levy is projected at R427,56 million in 2025/26 (R443,64 million in the 2024/25 adjustment budget) representing a decrease of R16,08 million (3.62%) on the 2024/25 adjustment budget. The projection for the outer two years of the MTREF period is R414,73 million and R399,60 million respectively.

Interest Earned from current and non-current assets

The projected interest to be earned from external investments is estimated at R87,52 million in 2025/26 (R78,24 million in the 2024/25 adjustment budget). The projected amount represents an increase in the interest income of R9,28 million (11.86%) on the adjustment budget. Projected earnings for the two outer years of the MTREF period is R85,77 million and R83,88 million respectively.

2.3 Revenue per Vote

As outlined below is the revenue per vote, indicating the various directorates' resource income:

MAN Mangaung - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue by Vote	1									
Vote 01 - City Manager		0	0	0	1	1	1	0	0	0
Vote 02 - Executive And Council		-	-	-	1	1	1	1	1	1
Vote 03 - Corporate Services		136 039	2 459	4 576	27 429	27 429	27 429	13 720	2 064	2 116
Vote 04 - Financial Services		1 653 176	1 842 263	1 932 595	2 062 575	2 062 575	2 062 575	1 988 126	2 079 725	2 139 283
Vote 05 - Community And Social Development		469 072	486 212	547 572	564 725	564 725	564 725	569 095	598 241	619 312
Vote 06 - Planning And Human Settlement		15 113	(17 372)	96 590	52 158	64 908	64 908	60 743	63 473	65 058
Vote 07 - Economic And Rural Development		33 326	33 985	35 292	35 935	35 935	35 935	40 073	41 839	42 859
Vote 08 - Roads And Transport		16 341	17 787	15 837	19 257	22 194	22 194	18 062	65 646	173 071
Vote 09 - Water And Sanitation		2 041 336	2 459 962	2 779 542	2 968 533	2 968 533	2 968 533	3 637 425	3 840 129	4 068 720
Vote 10 - Municipal General		1 498 092	1 492 754	1 522 911	1 783 622	1 532 708	1 532 708	1 717 004	1 683 093	1 720 464
Vote 11 - Public Safety And Security		445	100	821	28 490	28 490	28 490	26 025	27 196	27 876
Vote 12 - Centlec		2 966 774	3 127 394	3 398 832	4 272 241	4 642 221	4 642 221	4 707 325	4 995 362	5 208 022
Vote 13 - N/A1		-	-	-	-	-	-	-	-	-
Vote 14 - N/A		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	0	-	-	-	-	-	-	-
Total Revenue by Vote	2	8 829 715	9 445 545	10 334 569	11 814 967	11 949 719	11 949 719	12 777 598	13 396 771	14 066 782

2. OPERATING EXPENDITURE

3.1 Operating Expenditure Framework

The City's expenditure for the 2025/26 budget and MTREF is informed by the following:

- Modelling of feasible and sustainable budgets over the medium-term;
- National Treasury guidelines;
- Growth in the City and continued economic development;
- The municipal's indigent policy;
- Cognisance of national and local economic and fiscal conditions;
- Expenditure limits set by realistic and realisable revenue levels;
- The City's asset renewal strategy and its medium to long term asset repairs and maintenance goals;
- Relevant (budget and other) legislative imperatives;
- Cost containment measure that are being implemented by the municipality;

MAN Mangaung - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Expenditure by Vote to be appropriated	1									
Vote 01 - City Manager		134 154	128 917	121 800	136 166	132 318	132 318	157 978	166 040	172 486
Vote 02 - Executive And Council		211 299	140 348	166 947	168 841	169 835	169 835	190 680	200 480	215 294
Vote 03 - Corporate Services		453 028	402 390	528 824	369 266	385 878	385 878	380 128	394 269	408 921
Vote 04 - Financial Services		272 516	269 650	564 769	306 569	737 141	737 141	781 985	803 253	842 674
Vote 05 - Community And Social Development		2 049 922	703 901	924 600	570 761	615 355	615 355	643 582	670 013	696 100
Vote 06 - Planning And Human Settlement		663 745	177 930	222 148	202 509	236 307	236 307	250 177	252 464	262 400
Vote 07 - Economic And Rural Development		41 227	48 380	60 682	60 788	58 143	58 143	72 378	77 396	80 118
Vote 08 - Roads And Transport		569 005	607 924	644 993	522 424	627 995	627 995	669 982	686 697	753 976
Vote 09 - Water And Sanitation		1 726 214	2 688 526	2 541 862	2 786 866	2 778 913	2 778 913	3 178 374	3 184 377	3 243 255
Vote 10 - Municipal General		131 355	481 572	321 033	285 096	166 994	166 994	186 256	171 894	178 233
Vote 11 - Public Safety And Security		244 153	272 499	376 884	343 022	377 459	377 459	379 553	391 918	405 940
Vote 12 - Centlec		3 018 328	3 399 897	4 323 433	3 989 806	4 295 175	4 295 175	4 380 959	4 673 503	4 920 683
Vote 13 - N/A1		-	-	-	-	-	-	-	-	-
Vote 14 - N/A		-	-	-	-	-	-	-	-	-
Vote 15 - Other		66 952	67 121	(10 379)	12 541	12 541	12 541	2 855	3 005	3 125
Total Expenditure by Vote	2	9 581 898	9 389 054	10 787 595	9 754 653	10 594 054	10 594 054	11 274 887	11 675 308	12 183 205
Surplus/(Deficit) for the year	2	(752 184)	56 492	(453 026)	2 060 314	1 355 666	1 355 666	1 502 711	1 721 463	1 883 577

The operating budget expenditure increased from the adjustment budget amount of R10,43 billion in 2024/25 to a new budget amount of R11,15 billion in 2025/26 representing an increase of R729,47 million (7.00%). The projection for the outer two years of the MTREF period is R11,56 billion and R12,06 billion respectively.

OPERATING EXPENDITURE BUDGET – HIGHLIGHTS AND REASONS FOR SIGNIFICANT VARIANCES

MAN Mangaung - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Expenditure											
Employee related costs	2	2 244 582	2 223 632	2 461 979	2 513 360	2 495 954	2 495 954	2 201 013	2 655 658	2 725 232	2 835 079
Remuneration of councillors		67 895	69 434	74 552	79 728	78 428	78 428	65 111	83 728	88 124	91 649
Bulk purchases - electricity	2	1 875 528	2 216 593	3 032 518	2 569 190	2 802 190	2 802 190	2 468 600	2 974 985	3 134 444	3 328 466
Inventory consumed	8	916 568	926 344	1 051 227	642 068	642 068	642 068	901 361	717 735	752 055	784 982
Debt impairment	3	1 864 378	1 352 667	1 017 115	1 917 562	2 117 562	2 117 562	1 862 431	2 245 155	2 287 520	2 318 367
Depreciation and amortisation		906 729	885 335	853 274	420 694	674 788	674 788	663 642	752 070	857 195	894 454
Interest		115 415	178 458	141 329	27 072	27 072	27 072	45 607	12 723	2 605	62
Contracted services		691 070	638 774	784 114	620 042	773 550	773 550	473 799	815 537	781 202	813 050
Transfers and subsidies		7 244	-	4 992	361	361	361	-	15 000	-	-
Irrecoverable debts written off		196 741	210 447	692 315	-	-	-	398 719	-	-	-
Operational costs		560 817	639 288	582 736	472 875	441 747	441 747	383 765	482 868	509 260	560 749
Losses on disposal of Assets		305 358	55 384	42 113	-	-	-	-	-	-	-
Other Losses		9 790	3 193	55 482	371 700	371 700	371 700	(745)	399 427	417 670	436 347
Total Expenditure		9 562 114	9 399 547	10 793 747	9 634 653	10 425 420	10 425 420	9 463 305	11 154 887	11 555 308	12 063 205

Refer to Table A4 - Budgeted Financial Performance (revenue and expenditure), which give an overview of the budgeted financial performance in relation to the expenditure by type. The following are the highlights of the operating expenditure budget.

Further details regarding the remuneration of Councillors and Directors can be obtained on the Supporting Table SA22 and SA23.

3.1.1 Debt Impairment

The budget amount for debt impairment increased by R128,22 million (6,05%) from the 2024/25 Adjustment Budget allocation of R2,12 billion to a new amount of R2,25 billion. The indicative for the two outer years of the MTREF period is R2,29 billion and R2,32 billion respectively. Included under Debt Impairment is a provision for the expected consolidated average collection rate of 78%.

3.1.2 Depreciation

The budgeted depreciation amount is R752,07 million for 2025/26 (Adjustment Budget 2024/25 of R674,79 million). The provision is showing an increase of R77,28 million (11,45%) for the 2024/25 budget year. The indicative allocated amount for the two outer years of the MTREF period is R857,20 million and R894,45 million respectively. This amount is set aside to renew the city's infrastructure as it ages. Additional allocations were made during this budget with intention to fully provide for depreciation over the MTREF period and to prevent and limit unauthorised expenditure.

3.1.3 Bulk Purchases

Bulk purchases take up approximately 35% of the operating budget for 2025/26.

Bulk purchases – electricity increased by 6.17% (R172,80 million) against the 2024/25 Adjustment Budget amount of R2,80 billion, to the proposed new amount of R2,97 billion for the 2025/26 budget year. The allocation for the two outer years of the MTREF period is R3,13 billion and R3,33 billion respectively.

With the implementation of the latest version of mSCOA, Bulk water purchases is no longer accounted for under Bulk purchases, but under a combination of Inventory consumed and Losses (see Inventory – Water under schedule SA3). Bulk water purchases (Inventory consumed considered together with Other Losses) increased by 6.78% (R60,00 million) against the 2024/25 Adjustment Budget amount of R885,05 million, to the proposed amount of R945,05 million for the 2025/26 budget year. The allocation for the two outer years of the MTREF period is R988,20 million and R1,03 billion respectively.

Inventory Consumed (formerly Other Materials and includes items Consumables, Materials and Supplies, etc.) budget increased by R43,40 million (33,70%) against the 2024/25 Adjustment Budget amount of R128,77 million, to the proposed amount of R172,16 million for the 2025/26 budget year. The allocation for the two outer years of the MTREF period is R181,57 million and R188,98 million respectively.

3.1.4 Contracted Services

Contracted Services budget increased by R41,99 million (5.43%) from the approved Adjustment Budget allocation of R773,55 million in 2024/25 to a new allocation of R815,54 million. The allocation for the two outer years of the MTREF period is R781,20 million and R813,05 million respectively.

The intention of contracted services is to augment the service delivery priorities identified such as litter picking & street cleaning, maintenance of buildings, cleaning of entrances, tree cutting, repairs and maintenance of roads, unblocking of sewer reticulation infrastructure, attending to water losses due to burst pipes, leakages, maintenance of service delivery vehicles and implementation of revenue enhancement strategies. However, despite the above, the strategy of the municipality is to perform more services internally without relying on external service providers.

Refer to Supporting Table SA 1 for contracted details

Repairs and Maintenance included in contracted services

Included in the cost of contracted services are the cost of identified repairs and maintenance linked to each element of the expense category. The cost of repairs and maintenance is projected at R632,13 million for 2025/26 budget year and for the two outer years of the MTREF period the costs are projected at R627,66 million and R654,74 million respectively.

See Supporting table SA34c for the details of repairs and maintenance.

MAN Manguang - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

MAM Mangaulu - Supporting Table SAT Supporting detail to Budgeted Financial Performance											
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
REVENUE ITEMS:											
Non-exchange revenue by source											
Exchange Revenue	6										
Total Property Rates		1 524 089	1 725 051	1 682 738	1 873 719	1 873 719	1 873 719	1 636 774	1 975 724	2 085 278	2 158 784
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		136 294	216 205	234 579	219 666	219 666	219 666	212 738	231 625	244 468	253 086
Net Property Rates		1 387 795	1 508 845	1 448 159	1 654 053	1 654 053	1 654 053	1 424 036	1 744 100	1 840 810	1 905 699
Exchange revenue service charges											
Service charges - Electricity	6										
Total Service charges - Electricity		2 898 373	3 021 293	3 307 917	4 076 473	4 208 433	4 208 433	2 950 789	4 478 779	4 763 435	5 105 417
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)											
Less Cost of Free Basis Services (50 kwh per indigent household per month)		21 967	26 063	26 521	(69 079)	(69 079)	(69 079)	32 121	59 261	63 030	67 562
Net Service charges - Electricity		2 876 406	2 995 230	3 281 396	4 145 552	4 277 512	4 277 512	2 918 668	4 419 517	4 700 405	5 037 854
Service charges - Water	6										
Total Service charges - Water		1 178 273	1 267 606	1 453 211	1 644 537	1 644 537	1 644 537	1 413 333	1 807 435	1 950 920	2 147 768
Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)											
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)		118 595	121 695	136 373	205 426	205 426	205 426	117 748	162 373	175 251	192 934
Net Service charges - Water		1 059 678	1 145 911	1 316 838	1 439 110	1 439 110	1 439 110	1 295 585	1 645 063	1 775 670	1 954 835
Service charges - Waste Water Management											
Total Service charges - Waste Water Management		562 906	630 820	648 835	739 630	739 630	739 630	614 874	779 895	823 140	852 156
Less Revenue Foregone (in excess of free sanitation service to indigent households)											
Less Cost of Free Basis Services (free sanitation service to indigent households)		162 332	157 279	173 202	181 026	181 026	181 026	156 292	190 881	201 465	208 567
Net Service charges - Waste Water Management		400 574	473 541	475 634	558 604	558 604	558 604	458 582	589 015	621 676	643 590
Service charges - Waste Management	6										
Total refuse removal revenue		249 171	265 226	289 274	309 537	309 537	309 537	255 839	323 256	341 181	353 207
Total landfill revenue											
Less Revenue Foregone (in excess of one removal a week to indigent households)											
Less Cost of Free Basis Services (removed once a week to indigent households)		98 975	95 843	106 857	111 826	111 826	111 826	96 829	122 407	129 195	133 749
Net Service charges - Waste Management		150 197	169 383	182 417	197 710	197 710	197 710	159 010	200 849	211 986	219 458
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	1 329 629	1 286 821	1 338 378	1 529 342	1 453 634	1 453 634	1 215 334	1 641 074	1 657 630	1 724 910
Pension and UIF Contributions		229 212	238 494	245 190	266 064	264 065	264 065	216 246	273 794	288 096	299 618
Medical Aid Contributions		125 451	128 903	138 745	164 486	164 119	164 119	123 868	165 785	174 489	181 468
Overtime		209 511	215 767	257 374	117 666	138 642	138 642	229 652	115 079	121 121	125 966
Performance Bonus		93 558	99 053	103 198	114 365	113 414	113 414	92 127	118 253	124 440	129 403
Motor Vehicle Allowance		124 738	135 604	150 219	162 517	158 136	158 136	137 380	165 026	173 666	180 594
Cellphone Allowance		3 141	3 252	3 310	4 756	4 707	4 707	3 466	4 447	4 548	4 630
Housing Allowances		7 204	7 385	7 863	17 638	17 736	17 736	10 096	11 370	11 966	12 445
Other benefits and allowances		31 480	34 093	36 447	32 452	32 447	32 447	33 000	40 487	42 613	44 317
Payments in lieu of leave		25 571	34 507	56 413	35 299	35 299	35 299	32 357	45 304	47 683	49 590
Long service awards		23 284	21 013	21 641	15 092	15 257	15 257	7 184	15 990	16 829	17 502
Post-retirement benefit obligations	4	8 458	(19 385)	48 687	52 265	52 265	52 265	48 228	57 966	60 999	63 439
Entertainment		-	-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-	-
Acting and post related allowance		33 345	38 123	54 514	1 418	46 233	46 233	52 076	1 094	1 151	1 197
In kind benefits		-	-	-	-	-	-	-	-	-	-
sub-total	5	2 244 582	2 223 632	2 461 979	2 513 360	2 495 954	2 495 954	2 201 013	2 655 658	2 725 232	2 835 079
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	2 244 582	2 223 632	2 461 979	2 513 360	2 495 954	2 495 954	2 201 013	2 655 658	2 725 232	2 835 079
Depreciation and amortisation											
Depreciation of Property, Plant & Equipment		877 242	832 050	814 572	412 592	667 709	667 709	659 630	741 569	841 413	878 277
Lease amortisation		11 611	9 009	9 258	8 102	7 079	7 079	4 012	10 501	15 782	16 177
Capital asset impairment		17 876	44 275	29 444	-	-	-	-	-	-	-
Total Depreciation and amortisation	1	906 729	885 335	853 274	420 694	674 788	674 788	663 642	752 070	857 195	894 454
Bulk purchases - electricity											
Electricity bulk purchases		1 875 528	2 216 593	3 032 518	2 569 190	2 802 190	2 802 190	2 468 600	2 974 985	3 134 444	3 328 466
Total bulk purchases	1	1 875 528	2 216 593	3 032 518	2 569 190	2 802 190	2 802 190	2 468 600	2 974 985	3 134 444	3 328 466
Transfers and grants											
Cash transfers and grants		7 244	-	4 992	361	361	361	-	15 000	-	-
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	7 244	-	4 992	361	361	361	-	15 000	-	-
Contracted Services											
Outsourced Services		207 224	232 049	328 286	117 603	208 129	208 129	153 751	184 753	186 654	190 821
Consultants and Professional Services		143 314	109 378	118 831	210 827	210 063	210 063	107 283	213 455	205 933	216 826
Contractors		340 532	297 346	336 996	291 613	355 358	355 358	212 765	417 328	388 615	405 403
Total contracted services		691 070	638 774	784 114	620 042	773 550	773 550	473 799	815 537	781 202	813 050
Operational Costs											
Collection costs		(59 683)	(79 695)	21 722	9 156	15 756	15 756	10 826	9 722	10 159	10 413
Contributions to 'other' provisions		-	-	-	277	277	277	-	289	302	310

MAN Mangaung - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
Audit fees		20 008	23 839	25 757	15 121	25 302	25 302	25 223	15 655	16 360	16 769
Other Operational Costs		600 491	695 143	535 258	448 321	400 412	400 412	347 716	457 201	482 438	533 257
Total Operational Costs	1	560 817	639 288	582 736	472 875	441 747	441 747	383 765	482 868	509 260	560 749
Repairs and Maintenance by Expenditure Item	8										
Employee related costs		393 752	398 356	411 652	300 835	312 466	312 466	354 737	306 335	316 097	328 737
Inventory Consumed (Project Maintenance)		19 788	25 710	27 261	24 383	30 713	30 713	25 460	24 270	25 422	26 206
Contracted Services		201 889	138 621	148 479	212 572	249 044	249 044	152 917	292 584	276 773	290 155
Operational Costs		11 542	6 259	8 061	5 359	7 059	7 059	7 994	8 938	9 363	9 644
Total Repairs and Maintenance Expenditure	9	626 973	568 946	595 452	543 148	599 281	599 281	541 108	632 126	627 655	654 743
Inventory Consumed											
Inventory Consumed - Water		830 791	810 883	910 222	513 300	513 300	513 300	746 289	545 573	570 490	596 000
Inventory Consumed - Other		85 776	115 462	141 004	128 768	128 768	128 768	155 071	172 163	181 566	188 981
Total Inventory Consumed & Other Material		916 568	926 344	1 051 227	642 068	642 068	642 068	901 361	717 735	752 055	784 982

3.1.5 Transfers and Subsidies

Transfers and Subsidies budget increased from the appropriated Adjustment Budget of R361,381 in 2024/25 to an amount of R15.00 million in 2025/26. No allocation for the two outer years of the MTREF period. Refer to Supporting Tables SA 21 for details of Transfers and Grants made by the municipality.

MAN Mangaung - Supporting Table SA21 Transfers and grants made by the municipality

Annual Financial Reporting Table 021: Transfers and grants made by the municipality											
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
Cash Transfers to other municipalities											
Insert description	1										
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
	2										
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
Nat Dpt Agen - Municipal Demarcat Board	3	-	-	-	-	-	-	-	-	-	-
Nat Dpt Agen - Energy Sector Seta		7 244	-	4 992	-	-	-	-	-	-	-
Nat Dpt Agen - Train & Devel Prac Seta		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Other Organs Of State:		7 244	-	4 992	-	-	-	-	-	-	-

MAN Mangaung - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
Cash Transfers to Organisations											
Non Prof: Other Non-Profit Insti		-	-	-	-	-	-	-	-	-	-
Non Prof: Unspecified		-	-	-	-	-	-	-	-	-	-
Ts_O_M_Np Ins_Old Age Homes		-	-	-	-	-	-	-	-	-	-
Non Prof: Softstart		-	-	-	-	-	-	-	-	-	-
Non Prof: Spca		-	-	-	-	-	-	-	-	-	-
Non Prof: Unspec (Old Age Grant		-	-	-	21	21	21	-	-	-	-
Non Prof: Unspec Available		-	-	-	-	-	-	-	-	-	-
Non Prof: Unspec Farmers Supp		-	-	-	2	2	2	-	-	-	-
Non Prof: Unspec Miscel Grant		-	-	-	-	-	-	-	-	-	-
Non Prof: Unspec Poverty Relief		-	-	-	3	3	3	-	-	-	-
Ts_O_M_Np Ins_Sport Councils		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Organisations		-	-	-	26	26	26	-	-	-	-
Cash Transfers to Groups of Individuals											
Hh Ssp Soc Ass: Poverty Relief		-	-	-	-	-	-	-	-	-	-
Hh Ssp Soc Ass: Poverty Relief (Mayor Sp		-	-	-	-	-	-	-	-	-	-
Hh Ssp Soc Ass: Poverty Relief (Youth Co		-	-	-	-	-	-	-	-	-	-
Ts_O_M_Hh_Cash_Farmer Supp WHH (Cash)		-	-	-	-	-	-	-	-	-	-
Ts_O_M_Hh_Ssp_Soc Ass_Grant In Aid		-	-	-	-	-	-	-	15 000	-	-
Hh Ssp Soc Ass: Old Age Grant Cost Of Li		-	-	-	336	336	336	-	-	-	-
Total Cash Transfers To Groups Of Individuals:		-	-	-	336	336	336	-	15 000	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	7 244	-	4 992	361	361	361	-	15 000	-	-

3.1.6 Operational Costs

The Operational Costs budget increased by R41,12 million (8.52%) from the appropriated Adjustment Budget of R441,75 million in 2024/25 to an amount of R482,87 million in 2025/26. The allocation for the two outer years of the MTREF period is R509,26 million and R560,75 million respectively (See Supporting Table SA1).

4. CAPITAL BUDGET

Capital budget

The capital budget for the 2025/26 financial year is set at R1,34 billion (an increase of R203,16 million (17.81%) as compared to the 2024/25 Adjustment Budget of R1,14 billion). The capital budget for the two outer years of the MTREF period has been set at R1,32 billion and R1,33 billion respectively.

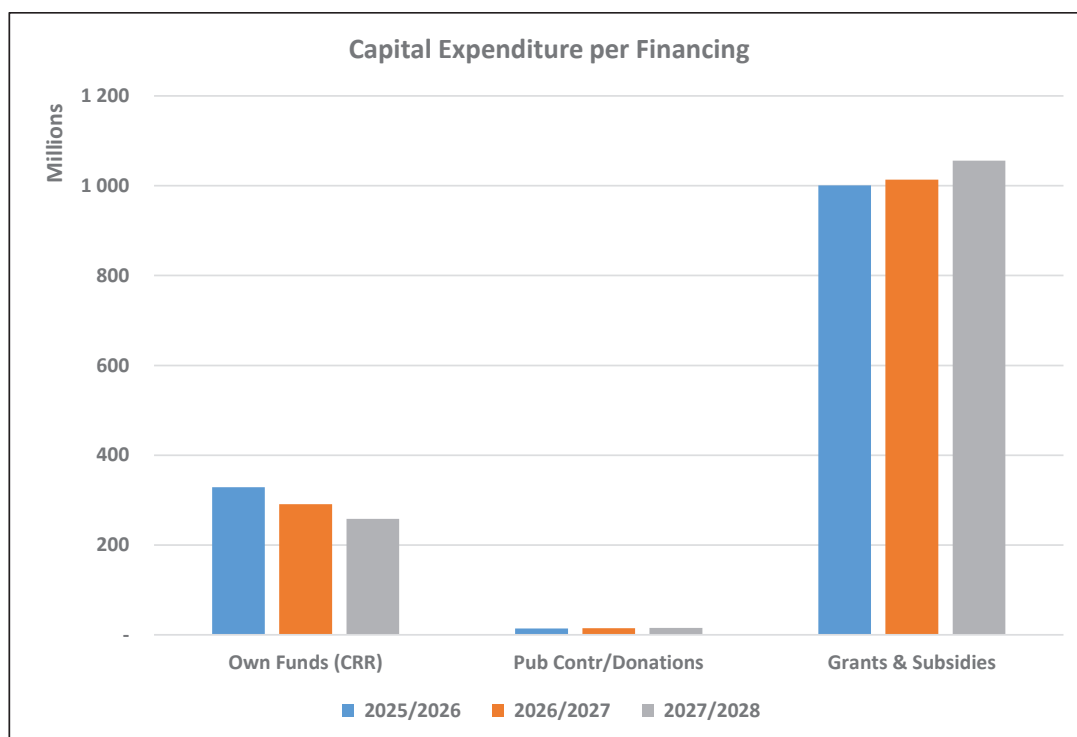
Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 01 - City Manager		85 610	70 888	-	-	-	-	-	-	-	-
Vote 02 - Executive And Council		-	-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		18 294	6 559	16 458	37 281	25 321	25 321	4 130	42 629	11 000	18 000
Vote 04 - Financial Services		-	-	-	-	-	-	-	-	-	-
Vote 05 - Community And Social Development		-	-	5 709	47 680	20 265	20 265	2 667	48 076	69 324	60 843
Vote 06 - Planning And Human Settlement		-	-	6 552	67 413	81 305	81 305	22 350	15 570	9 975	7 000
Vote 07 - Economic And Rural Development		14 786	3 569	1 892	4 500	750	750	-	14 025	11 856	12 695
Vote 08 - Roads And Transport		248 770	209 616	174 855	357 940	195 790	195 790	22 510	336 272	334 320	340 137
Vote 09 - Water And Sanitation		152 595	99 549	73 698	236 700	277 075	277 075	180 019	497 817	535 574	524 641
Vote 10 - Municipal General		-	-	-	-	-	-	-	2 921	1 059	1 104
Vote 11 - Public Safety And Security		-	-	-	13 000	10 500	10 500	4 929	4 900	2 560	2 630
Vote 12 - Centlec		158 756	150 585	156 671	278 845	343 645	343 645	171 059	321 660	316 411	281 481
Vote 13 - N/A1		-	-	-	-	-	-	-	-	-	-
Vote 14 - N/A		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	678 809	540 768	435 837	1 043 359	954 652	954 652	407 664	1 283 870	1 292 077	1 248 531
Single-year expenditure to be appropriated	2										
Vote 01 - City Manager		-	-	-	-	-	-	-	-	-	-
Vote 02 - Executive And Council		-	-	272	-	200	200	-	500	550	600
Vote 03 - Corporate Services		-	1 074	910	800	720	720	328	1 000	-	-
Vote 04 - Financial Services		69	-	1 295	-	-	-	-	-	-	-
Vote 05 - Community And Social Development		4 259	3 008	3 672	24 292	26 900	26 900	8 066	12 800	19 600	47 747
Vote 06 - Planning And Human Settlement		169 316	150 360	128 360	256 557	131 384	131 384	26 934	39 728	1 000	26 000
Vote 07 - Economic And Rural Development		-	-	2 919	4 700	6 200	6 200	1 708	-	-	-
Vote 08 - Roads And Transport		-	-	1 006	-	12 144	12 144	2 481	-	-	-
Vote 09 - Water And Sanitation		-	-	-	-	-	-	-	-	-	-
Vote 10 - Municipal General		-	-	-	2 042	2 000	2 000	1 801	-	-	-
Vote 11 - Public Safety And Security		1 154	-	702	8 130	6 630	6 630	56	6 090	5 339	5 168
Vote 12 - Centlec		-	-	-	-	-	-	-	-	-	-
Vote 13 - N/A1		-	-	-	-	-	-	-	-	-	-
Vote 14 - N/A		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		174 798	154 442	139 135	296 521	186 178	186 178	41 373	60 118	26 489	79 515
Total Capital Expenditure - Vote		853 607	695 210	574 971	1 339 880	1 140 830	1 140 830	449 036	1 343 987	1 318 567	1 328 045

4.1 Funding by source

The budget will be funded out of Government Grants and subsidies and internally generated funds (own funding) as funding sources. Government grants contribution to the Metro's capital budget will be increased by R228,96 million (29.67%) to R1 billion in 2025/26, from adjustment budget amount of R771,81 million in the 2024/25 budget year. The projection for the two outer years of the MTREF period is R1,01 billion and R1,05 billion respectively.

Funded by:											
National Government		522 999	562 987	438 103	1 019 284	771 811	771 811	305 860	1 000 769	1 012 165	1 054 268
Provincial Government		133 638	–	30 250	–	–	–	–	–	–	–
District Municipality											
Transfers and subsidies - capital (monetary allocations) (Nat / Prov											
Departm Agencies, Households, Non-profit Institutions, Private											
Enterprises, Public Corporations, Higher Educ Institutions)		10 834	9 833	11 685	14 000	14 000	14 000	5 791	14 500	15 153	15 531
Transfers recognised - capital	4	667 471	572 820	480 038	1 033 284	785 811	785 811	311 650	1 015 269	1 027 317	1 069 799
Borrowing	6	37 225	12 220	–	–	–	–	–	–	–	–
Internally generated funds		148 911	110 170	94 933	306 597	355 019	137 386	328 719	291 249	258 246	–
Total Capital Funding	7	853 607	695 210	574 971	1 339 880	1 140 830	1 140 830	449 036	1 343 987	1 318 567	1 328 045

MSCOA FINANCING - MANGAUNG AND CENTLEC		BUDGET 2025/2026	BUDGET 2026/2027	BUDGET 2027/2028
HT	External Loans - Fleet Lease	–	–	–
CF	Own Funds (CRR)	88 558 703	60 006 200	64 062 474
18	Revenue	240 160 000	231 243 200	194 183 893
17	Public Contributions/Donations	14 500 000	15 152 500	15 531 313
Grants and Subsidies		343 218 703	306 401 900	273 777 679
62	Public Transport Infrastructure & Systems Grant	144 716 571	117 773 889	118 470 056
81	USDG Grant	541 284 690	566 012 340	591 625 960
80	Informal Settlement Upgrading Partnership	301 571 500	319 464 400	334 872 245
83	Programme and Project Support Grant	–	–	–
84	Informal Settlement Upgrading Partnership Grant	–	–	–
77	National Electrification Programme	–	–	–
79	Neighbourhood Development Partnership Grant	–	–	–
UC	USFG Grant (Financing portion of USDG)	13 196 000	10 088 685	10 524 952
TOTAL FINANCING		1 343 987 464	1 319 741 214	1 329 270 892



4.2 SUMMARY OF THE BUDGET – CURRENT BUDGET

The projected financial outcome of this budget at the end of the 2024/25 budget year can be summarised as follows:

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

Description	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousands										
Financial Performance										
Property rates	1 387 795	1 508 845	1 448 159	1 654 053	1 654 053	1 654 053	1 424 036	1 744 100	1 840 810	1 905 699
Service charges	4 486 855	4 784 065	5 256 285	6 340 977	6 472 937	6 472 937	4 831 845	6 854 443	7 309 736	7 855 737
Investment revenue	18 214	62 163	79 386	78 241	78 241	78 241	81 183	87 518	85 773	83 875
Transfer and subsidies - Operational	877 604	986 537	1 235 678	1 275 488	1 300 047	1 300 047	1 195 591	1 361 141	1 405 025	1 476 880
Other own revenue	934 530	1 044 089	1 435 725	1 311 366	1 537 072	1 537 072	1 288 374	1 593 384	1 606 288	1 552 926
Total Revenue (excluding capital transfers and contributions)	7 704 998	8 385 699	9 455 233	10 660 125	11 042 350	11 042 350	8 821 029	11 640 587	12 247 632	12 875 117
Employee costs	2 244 582	2 223 632	2 461 979	2 513 360	2 495 954	2 495 954	2 201 013	2 655 658	2 725 232	2 835 079
Remuneration of councillors	67 895	69 434	74 552	79 728	78 428	78 428	65 111	83 728	88 124	91 649
Depreciation and amortisation	906 729	885 335	853 274	420 694	674 788	674 788	663 642	752 070	857 195	894 454
Interest	115 415	178 458	141 329	27 072	27 072	27 072	45 607	12 723	2 605	62
Inventory consumed and bulk purchases	2 792 096	3 142 937	4 083 745	3 211 258	3 444 258	3 444 258	3 369 961	3 692 720	3 886 500	4 113 448
Transfers and subsidies	7 244	—	4 992	361	361	361	—	15 000	—	—
Other expenditure	3 428 153	2 899 752	3 173 876	3 382 180	3 704 559	3 704 559	3 117 971	3 942 987	3 995 651	4 128 513
Total Expenditure	9 562 114	9 399 547	10 793 747	9 634 653	10 425 420	10 425 420	9 463 305	11 154 887	11 555 308	12 063 205
Surplus/(Deficit)	(1 857 116)	(1 013 848)	(1 338 514)	1 025 472	616 930	616 930	(642 276)	485 700	692 325	811 911
Transfers and subsidies - capital (monetary allocations)	915 188	825 524	606 718	1 034 842	787 369	787 369	398 534	1 017 011	1 029 138	1 071 665
Transfers and subsidies - capital (in-kind)	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	(941 929)	(188 324)	(731 795)	2 060 314	1 404 299	1 404 299	(243 742)	1 502 711	1 721 463	1 883 577
Share of Surplus/Deficit attributable to Associate	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year	(941 929)	(188 324)	(731 795)	2 060 314	1 404 299	1 404 299	(243 742)	1 502 711	1 721 463	1 883 577
Capital expenditure & funds sources										
Capital expenditure	853 607	695 210	574 971	1 339 880	1 140 830	1 140 830	449 036	1 343 987	1 318 567	1 328 045
Transfers recognised - capital	667 471	572 820	480 038	1 033 284	785 811	785 811	311 650	1 015 269	1 027 317	1 069 799
Borrowing	37 225	12 220	—	—	—	—	—	—	—	—
Internally generated funds	148 911	110 170	94 933	306 597	355 019	355 019	137 386	328 719	291 249	258 246
Total sources of capital funds	853 607	695 210	574 971	1 339 880	1 140 830	1 140 830	449 036	1 343 987	1 318 567	1 328 045
Financial position										
Total current assets	9 137 798	8 528 246	8 338 907	5 448 223	5 448 223	5 448 223	8 550 099	4 663 324	6 203 700	8 025 038
Total non current assets	22 398 724	21 749 145	21 864 501	22 465 146	22 266 095	22 266 095	21 759 624	22 120 558	22 889 909	23 760 540
Total current liabilities	11 139 130	10 748 178	10 969 782	2 518 116	2 518 116	2 518 116	9 992 321	3 601 695	3 941 090	4 544 571
Total non current liabilities	2 564 619	2 470 607	2 606 627	1 958 998	1 958 998	1 958 998	2 913 126	2 037 317	1 880 589	1 895 010
Community wealth/Equity	17 591 692	16 804 446	16 177 560	22 713 996	22 563 580	22 563 580	16 214 504	21 144 870	23 271 937	25 346 011
Cash flows										
Net cash from (used) operating	4 183 116	4 329 269	7 151 567	2 099 501	2 099 501	2 099 501	8 980 284	2 026 525	2 898 526	3 565 995
Net cash from (used) investing	(853 718)	(691 950)	(525 894)	(1 329 814)	(1 329 981)	(1 329 981)	(438 861)	(1 333 652)	(1 307 766)	(1 316 975)
Net cash from (used) financing	(63 259)	(206 337)	(164 549)	(92 996)	(92 996)	(92 996)	(127 604)	(104 661)	(51 981)	4 317
Cash/cash equivalents at the year end	3 727 535	4 171 516	7 172 269	1 387 853	1 387 686	1 387 686	8 413 820	1 083 073	2 621 851	4 875 188
Cash backing/surplus reconciliation										
Cash and investments available	1 571 937	711 305	(170 011)	1 453 363	1 453 363	1 453 363	30 635	1 083 073	2 621 851	4 875 188
Application of cash and investments	6 041 435	5 194 251	4 702 121	1 120 538	1 134 141	1 134 141	4 819 975	898 989	1 136 015	2 042 121
Balance - surplus (shortfall)	(4 469 498)	(4 482 946)	(4 872 132)	332 825	319 222	319 222	(4 789 340)	184 083	1 485 836	2 833 068
Asset management										
Asset register summary (WDV)	19 062 073	18 428 878	18 492 905	22 408 058	22 209 007	22 209 007	—	21 785 742	22 454 682	23 238 291
Depreciation	906 729	885 335	853 274	420 694	674 788	674 788	—	752 070	857 195	894 454
Renewal and Upgrading of Existing Assets	199 926	100 333	161 322	268 992	329 568	329 568	—	524 689	536 723	541 239
Repairs and Maintenance	626 973	568 946	595 452	543 148	599 281	599 281	—	632 126	627 655	654 743
Free services										
Cost of Free Basic Services provided	401 869	811 477	442 953	881 739	881 739	881 739	—	1 034 071	1 117 865	1 202 632
Revenue cost of free services provided	136 294	216 205	234 579	219 666	219 666	219 666	—	231 625	244 468	253 086
Households below minimum service level										
Water:	—	—	—	—	—	—	—	—	—	—
Sanitation/sewerage:	—	—	—	—	—	—	—	—	—	—
Energy:	—	—	—	—	—	—	—	—	—	—
Refuse:	—	—	—	—	—	—	—	—	—	—

The table above provides an overview of the amount to be proposed to Council for operating performance resources required for capital expenditure, financial positions, cash and funding compliance as well as the municipality's commitment to eliminating basic service delivery backlogs.

Table A5 - Budgeted Capital expenditure by vote standard classification and funding source.

Table A5 outlines a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations) capital expenditure by standard classification and the funding sources necessary to fund the capital budget including information on capital transfers from national and provincial departments.

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 01 - City Manager		85 610	70 888	–	–	–	–	–	–	–	–
Vote 02 - Executive And Council		–	–	–	–	–	–	–	–	–	–
Vote 03 - Corporate Services		18 294	6 559	16 458	37 281	25 321	25 321	4 130	42 629	11 000	18 000
Vote 04 - Financial Services		–	–	–	–	–	–	–	–	–	–
Vote 05 - Community And Social Development		–	–	5 709	47 680	20 265	20 265	2 667	48 076	69 324	60 843
Vote 06 - Planning And Human Settlement		–	–	6 552	67 413	81 305	81 305	22 350	15 570	9 975	7 000
Vote 07 - Economic And Rural Development		14 786	3 569	1 892	4 500	750	750	–	14 025	11 856	12 695
Vote 08 - Roads And Transport		248 770	209 616	174 855	357 940	195 790	195 790	22 510	336 272	334 320	340 137
Vote 09 - Water And Sanitation		152 595	99 549	73 698	236 700	277 075	277 075	180 019	497 817	535 574	524 641
Vote 10 - Municipal General		–	–	–	–	–	–	–	2 921	1 059	1 104
Vote 11 - Public Safety And Security		–	–	–	13 000	10 500	10 500	4 929	4 900	2 560	2 630
Vote 12 - Centlec		158 756	150 585	156 671	278 845	343 645	343 645	171 059	321 660	316 411	281 481
Vote 13 - NA1		–	–	–	–	–	–	–	–	–	–
Vote 14 - N/A		–	–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	678 809	540 768	435 837	1 043 359	954 652	954 652	407 664	1 283 870	1 292 077	1 248 531
Single-year expenditure to be appropriated	2										
Vote 01 - City Manager		–	–	–	–	–	–	–	–	–	–
Vote 02 - Executive And Council		–	–	272	–	200	200	–	500	550	600
Vote 03 - Corporate Services		–	1 074	910	800	720	720	328	1 000	–	–
Vote 04 - Financial Services		69	–	1 295	–	–	–	–	–	–	–
Vote 05 - Community And Social Development		4 259	3 008	3 672	24 292	26 900	26 900	8 066	12 800	19 600	47 747
Vote 06 - Planning And Human Settlement		169 316	150 360	128 360	256 557	131 384	131 384	26 934	39 728	1 000	26 000
Vote 07 - Economic And Rural Development		–	–	2 919	4 700	6 200	6 200	1 708	–	–	–
Vote 08 - Roads And Transport		–	–	1 006	–	12 144	12 144	2 481	–	–	–
Vote 09 - Water And Sanitation		–	–	–	–	–	–	–	–	–	–
Vote 10 - Municipal General		–	–	–	2 042	2 000	2 000	1 801	–	–	–
Vote 11 - Public Safety And Security		1 154	–	702	8 130	6 630	6 630	56	6 090	5 339	5 168
Vote 12 - Centlec		–	–	–	–	–	–	–	–	–	–
Vote 13 - NA1		–	–	–	–	–	–	–	–	–	–
Vote 14 - N/A		–	–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		174 798	154 442	139 135	296 521	186 178	186 178	41 373	60 118	26 489	79 515
Total Capital Expenditure - Vote		853 607	695 210	574 971	1 339 880	1 140 830	1 140 830	449 036	1 343 987	1 318 567	1 328 045
Capital Expenditure - Functional											
Governance and administration		59 866	92 949	75 909	54 371	54 027	54 027	6 950	35 275	22 722	14 400
Executive and council		10 262	1 228	3 057	4 700	6 400	6 400	1 708	13 525	11 406	12 295
Finance and administration		49 604	91 721	72 852	49 671	47 627	47 627	5 242	21 750	11 317	2 104
Internal audit		–	–	–	–	–	–	–	–	–	–
Community and public safety		167 858	120 642	127 077	327 050	216 490	216 490	34 624	72 790	58 552	83 257
Community and social services		590	–	2 173	7 500	9 823	9 823	6 413	10 000	3 542	–
Sport and recreation		9 404	4 392	7 221	30 953	32 905	32 905	1 843	51 300	47 110	50 459
Public safety		1 409	323	702	21 130	17 130	17 130	4 984	10 990	7 899	7 798
Housing		156 454	115 851	116 982	266 966	156 232	156 232	21 056	–	–	25 000
Health		–	76	–	500	400	400	328	500	–	–
Economic and environmental services		310 009	229 243	135 907	390 743	229 962	229 962	53 219	394 870	336 636	349 037
Planning and development		12 862	34 508	17 929	57 003	56 457	56 457	28 227	55 298	10 975	8 000
Road transport		297 147	194 735	117 977	333 740	173 506	173 506	24 991	335 072	325 062	340 137
Environmental protection		–	–	–	–	–	–	–	4 500	600	900
Trading services		311 351	250 134	236 079	564 217	640 350	640 350	354 243	841 053	900 656	881 353
Energy sources		158 756	150 585	156 671	278 845	343 645	343 645	171 059	321 660	316 411	281 481
Water management		79 472	38 927	56 445	138 715	139 775	139 775	73 838	191 948	194 729	199 581
Waste water management		73 122	60 622	17 253	97 985	137 300	137 300	106 181	305 869	340 845	325 060
Waste management		–	–	5 709	48 672	19 630	19 630	3 165	21 576	48 672	75 231
Other		4 524	2 241	–	3 500	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	853 607	695 210	574 971	1 339 880	1 140 830	1 140 830	449 036	1 343 987	1 318 567	1 328 045
Funded by:											
National Government		522 999	562 987	438 103	1 019 284	771 811	771 811	305 860	1 000 769	1 012 165	1 054 268
Provincial Government		133 638	–	30 250	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov		–	–	–	–	–	–	–	–	–	–
Departm Agencies, Households, Non-profit Institutions, Private		–	–	–	–	–	–	–	–	–	–
Enterprises, Public Corporations, Higher Educ Institutions)		10 834	9 833	11 685	14 000	14 000	14 000	5 791	14 500	15 153	15 531
Transfers recognised - capital	4	667 471	572 820	480 038	1 033 284	785 811	785 811	311 650	1 015 269	1 027 317	1 069 799
Borrowing	6	37 225	12 220	–	–	–	–	–	–	–	–
Internally generated funds		148 911	110 170	94 933	306 597	355 019	355 019	137 386	328 719	291 249	258 246
Total Capital Funding	7	853 607	695 210	574 971	1 339 880	1 140 830	1 140 830	449 036	1 343 987	1 318 567	1 328 045

5. BUDGETED FINANCIAL POSITION TABLE A6

Table A6 is consistent with international standards of good financial management practice and improves understanding of the councillors and management of the impact of the budget on the statement of financial position (balance sheet). This format of presenting the statement of financial position is aligned to GRAP 1 which is generally aligned to the international version which presents Assets fewer liabilities as 'accounting' Community Wealth. The order of items which each group illustrates items is order of liquidity; i.e. assets readily converted to cash or liabilities immediately required to be met from cash appear first.

MAN Mangaung - Table A6 Consolidated Budgeted Financial Position

Description		Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand												
ASSETS												
Current assets												
Cash and cash equivalents			1 571 813	711 161	(170 178)	1 453 363	1 453 363	1 453 363	30 468	1 083 073	2 621 851	4 875 188
Trade and other receivables from exchange transactions	1		1 843 679	1 467 782	1 537 305	1 850 379	1 850 379	1 850 379	1 232 281	2 297 826	2 371 464	2 115 710
Receivables from non-exchange transactions	1		339 710	420 024	453 737	707 636	707 636	707 636	463 393	459 906	380 566	198 613
Current portion of non-current receivables			813 129	820 308	828 518	5	5	5	828 518	—	—	—
Inventory	2		670 993	687 240	819 040	1 436 841	1 436 841	1 436 841	885 310	822 519	829 819	835 526
VAT			3 781 765	4 278 110	4 684 205	—	—	—	4 899 382	—	—	—
Other current assets			116 709	143 620	186 281	—	—	—	210 749	—	—	—
Total current assets			9 137 798	8 528 246	8 338 907	5 448 223	5 448 223	5 448 223	8 550 999	4 663 324	6 203 700	8 025 038
Non current assets												
Investments			124	144	167 026.25	—	—	—	167	—	—	—
Investment property			1 585 611	1 587 424	#####	1 635 047	1 635 047	1 635 047	1 590 666	1 595 760	1 598 313	1 600 870
Property, plant and equipment	3		18 284 906	17 539 950	17 619 222	20 361 477	20 162 427	20 162 427	17 407 966	19 721 568	20 351 972	21 013 588
Biological assets												
Living and non-living resources			—	—	—	3 234	3 234	3 234	—	4 352	5 383	6 293
Heritage assets			244 667	254 696	258 245	259 790	259 790	259 790	258 245	257 729	255 151	327 600
Intangible assets			71 489	97 838	133 634	148 510	148 510	148 510	129 946	206 333	243 863	289 941
Trade and other receivables from exchange transactions												
Non-current receivables from non-exchange transactions			12 246	8 967	9 009	22	22	22	9 076	116	116	116
Other non-current assets			2 199 680	2 260 126	2 253 559	57 066	57 066	57 066	2 363 559	334 701	435 111	522 133
Total non current assets			22 398 724	21 749 145	21 864 501	22 465 146	22 266 095	22 266 095	21 759 624	22 120 558	22 889 909	23 760 540
TOTAL ASSETS			31 536 522	30 277 391	30 203 408	27 913 369	27 714 319	27 714 319	30 309 724	26 783 882	29 093 609	31 785 578
LIABILITIES												
Current liabilities												
Bank overdraft												
Financial liabilities			120 300	(118 541)	(287 024)	95 090	95 090	95 090	(414 679)	56 214	—	—
Consumer deposits			171 777	197 529	194 472	208 547	208 547	208 547	192 750	211 641	215 874	220 191
Trade and other payables from exchange transactions	4		5 361 196	4 927 602	4 941 082	2 097 314	2 097 314	2 097 314	3 956 417	3 152 808	3 542 128	4 179 202
Trade and other payables from non-exchange transactions	5		561 047	369 930	193 595	—	—	—	—	—	—	—
Provision			1 134 090	1 167 349	1 321 703	76 128	76 128	76 128	1 299 446	104 591	105 883	67 201
VAT			3 790 721	4 204 308	4 605 955	41 037	41 037	41 037	4 958 387	76 441	77 205	77 977
Other current liabilities												
Total current liabilities			11 139 130	10 748 178	10 969 782	2 518 116	2 518 116	2 518 116	9 992 321	3 601 695	3 941 090	4 544 571
Non current liabilities												
Financial liabilities	6		976 017	976 993	952 763	53 669	53 669	53 669	952 809	—	—	—
Provision	7		1 588 602	1 493 614	1 653 864	1 350 341	1 350 341	1 350 341	1 686 390	1 634 450	1 648 275	1 704 309
Long term portion of trade payables			—	—	—	554 987	554 987	554 987	273 926	402 867	232 314	190 702
Other non-current liabilities												
Total non current liabilities			2 564 619	2 470 607	2 606 627	1 958 998	1 958 998	1 958 998	2 913 126	2 037 317	1 880 589	1 895 010
TOTAL LIABILITIES			13 703 749	13 218 785	13 576 409	4 477 114	4 477 114	4 477 114	12 905 447	5 639 012	5 821 679	6 439 581
NET ASSETS			17 832 773	17 058 605	16 626 999	23 436 256	23 237 205	23 237 205	17 404 277	21 144 870	23 271 929	25 345 996
COMMUNITY WEALTH/EQUITY												
Accumulated surplus/(deficit)	8		12 343 965	11 786 049	11 168 392	17 569 814	17 419 397	17 419 397	11 205 336	16 117 445	18 269 520	20 293 827
Reserves and funds	9		5 247 727	5 018 397	5 009 168	5 144 183	5 144 183	5 144 183	5 009 168	5 027 425	5 002 416	5 052 183
Other												
TOTAL COMMUNITY WEALTH/EQUITY			17 591 692	16 804 446	16 177 560	22 713 996	22 563 580	22 563 580	16 214 504	21 144 870	23 271 937	25 346 011

6. BUDGETED CASH FLOW STATEMENT TABLE A7

The budgeted cash flow statement is the first measurement in determining if the budget is funded. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

MAN Mangaung - Table A7 Consolidated Budgeted Cash Flows											
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		1 481 887	846 350	858 837	1 286 853	1 286 853	1 286 853	811 566	1 356 910	1 509 464	1 619 844
Service charges		4 881 496	3 582 971	4 023 451	5 283 339	5 283 339	5 283 339	3 610 814	5 785 836	6 724 957	7 678 983
Other revenue		2 825 781	6 134 298	8 076 407	609 573	609 573	609 573	8 881 554	656 465	691 104	788 350
Transfers and Subsidies - Operational	1	608 674	660 184	1 198 093	1 275 488	1 275 488	1 275 488	1 335 765	1 361 141	1 405 025	1 476 880
Transfers and Subsidies - Capital	1	1 136 884	904 966	709 664	1 034 842	1 034 842	1 034 842	704 816	1 017 011	1 029 138	1 071 665
Interest		9 577	61 639	79 308	587 556	587 556	587 556	122 567	812 623	794 413	675 695
Dividends		3	12	8	12	12	12	7	10	9	9
Payments											
Suppliers and employees		(6 761 186)	(7 861 151)	(7 794 200)	(7 977 802)	(7 977 802)	(7 977 802)	(6 486 805)	(8 948 471)	(9 255 585)	(9 745 432)
Interest		-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies	1	-	-	-	(361)	(361)	(361)	-	(15 000)	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		4 183 116	4 329 269	7 151 567	2 099 501	2 099 501	2 099 501	8 980 284	2 026 525	2 898 526	3 565 995
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	-	49 142	9 900	9 900	9 900	-	10 335	10 800	11 070
Decrease (increase) in non-current receivables		14	3 279	(42)	-	-	-	(67)	-	-	-
Decrease (increase) in non-current investments		(124)	(20)	(23)	167	-	-	-	-	-	-
Payments											
Capital assets		(853 607)	(695 210)	(574 971)	(1 339 880)	(1 339 880)	(1 339 880)	(438 794)	(1 343 987)	(1 318 567)	(1 328 045)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(853 718)	(691 950)	(525 894)	(1 329 814)	(1 329 981)	(1 329 981)	(438 861)	(1 333 652)	(1 307 766)	(1 316 975)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	95 090	95 090	95 090	-	-	-	-
Borrowing long term/refinancing		-	-	(15 837)	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	(99)	58	(32 839)	(32 839)	(32 839)	52	3 094	4 233	4 317
Payments											
Repayment of borrowing		(63 259)	(206 238)	(148 770)	(155 247)	(155 247)	(155 247)	(127 655)	(107 755)	(56 214)	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(63 259)	(206 337)	(164 549)	(92 996)	(92 996)	(92 996)	(127 604)	(104 661)	(51 981)	4 317
NET INCREASE/ (DECREASE) IN CASH HELD		3 266 140	3 430 983	6 461 124	676 692	676 525	676 525	8 413 820	588 212	1 538 779	2 253 337
Cash/cash equivalents at the year begin:	2	461 396	740 533	711 145	711 161	711 161	711 161	-	494 861	1 083 073	2 621 851
Cash/cash equivalents at the year end:	2	3 727 535	4 171 516	7 172 269	1 387 853	1 387 686	1 387 686	8 413 820	1 083 073	2 621 851	4 875 188

Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of the MFMA Circular 42 - Funding a Municipal Budget. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at the year end and secondly reconciling the available funding to the liabilities/commitments that exist. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be funded.

MAN Mangaung - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	3 727 535	4 171 516	7 172 269	1 387 853	1 387 686	1 387 686	8 413 820	1 083 073	2 621 851	4 875 188
Other current investments > 90 days		(2 155 723)	(3 460 355)	(7 342 448)	65 510	65 677	65 677	(8 383 352)			
Non current Investments	1	124	144	167	-	-	-	167	-	-	-
Cash and investments available:		1 571 937	711 305	(170 011)	1 453 363	1 453 363	1 453 363	30 635	1 083 073	2 621 851	4 875 188
Application of cash and investments											
Unspent conditional transfers		561 047	369 930	193 595	-	-	-	534 514	-	-	-
Unspent borrowing											
Statutory requirements	2	812 759	730 001	725 553	41 037	41 037	41 037	862 808	76 441	77 205	77 977
Other working capital requirements	3	-	-	-	-	-	-	-	692 208	927 178	1 871 194
Other provisions		1 134 090	1 167 349	1 321 703	76 128	76 128	76 128	1 299 446	104 591	105 883	67 201
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	25 749	25 749	25 749
Total Application of cash and investments:		2 507 895	2 267 280	2 240 850	117 165	117 165	117 165	2 696 768	898 989	1 136 015	2 042 121
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		(935 958)	(1 555 976)	(2 410 861)	1 336 198	1 336 198	1 336 198	(2 666 133)	184 083	1 485 836	2 833 068
Creditors transferred to Debt Relief - Non-Current portion		-	-	-	257 881	257 881	257 881	-	128 940	-	-
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		(935 958)	(1 555 976)	(2 410 861)	1 594 078	1 594 078	1 594 078	(2 666 133)	313 024	1 485 836	2 833 068

7. ASSET MANAGEMENT TABLE A9

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

MAN Mangaung - Table A9 Consolidated Asset Management

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	653 681	594 876	413 649	1 070 888	811 262	811 262	819 299	781 844	786 807
Roads Infrastructure		224 782	152 562	103 218	133 520	91 146	91 146	190 158	201 635	208 610
Storm water Infrastructure		-	-	-	2 196	-	-	197	6 174	13 674
Electrical Infrastructure		83 047	104 390	113 066	176 410	218 910	218 910	182 320	198 368	192 838
Water Supply Infrastructure		52 572	48 055	22 255	119 430	61 328	61 328	45 250	47 505	57 542
Sanitation Infrastructure		73 524	56 478	17 076	172 225	118 129	118 129	13 000	26 044	30 853
Solid Waste Infrastructure		9 231	-	5 709	51 672	30 730	30 730	24 576	48 672	75 231
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		443 155	361 486	261 326	655 454	520 242	520 242	455 502	528 398	578 748
Community Facilities		34 613	37 529	27 643	133 103	131 211	131 211	119 923	68 826	49 932
Sport and Recreation Facilities		4 586	2 241	-	800	1 381	1 381	6 000	16 400	16 500
Community Assets		39 199	39 770	27 643	133 903	132 592	132 592	125 923	85 226	66 432
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		20 732	7 795	17 157	24 946	23 547	23 547	65 946	22 018	8 607
Furniture and Office Equipment		365	2 209	5 669	11 318	12 402	12 402	2 800	1 732	1 750
Machinery and Equipment		1 428	4 463	2 607	17 107	17 991	17 991	17 611	7 198	6 872
Transport Assets		148 803	179 154	99 248	228 160	104 489	104 489	151 517	137 273	124 398
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	182 704	88 590	109 661	238 979	298 355	298 355	500 207	512 270	519 339
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		9 789	4 306	17 463	21 705	31 205	31 205	36 140	37 766	38 710
Water Supply Infrastructure		101 365	20 662	76 309	131 252	123 510	123 510	206 679	163 784	171 545
Sanitation Infrastructure		69 114	61 489	12 272	75 410	107 328	107 328	235 888	297 720	289 084
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		180 268	86 457	106 044	228 367	262 043	262 043	478 707	499 270	499 339
Community Facilities		153	203	960	3 512	30 812	30 812	10 000	5 000	10 000

MAN Mangaung - Table A9 Consolidated Asset Management

Description		Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Sport and Recreation Facilities			-	-	-	2 000	500	500	3 500	3 000	3 000
Community Assets			153	203	960	5 512	31 312	31 312	13 500	8 000	13 000
Heritage Assets			-	-	-	-	-	-	-	-	-
Revenue Generating			-	-	-	-	-	-	-	-	-
Non-revenue Generating			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Operational Buildings			-	49	536	2 000	2 000	2 000	7 500	5 000	5 000
Housing			-	-	-	-	-	-	-	-	-
Other Assets			-	49	536	2 000	2 000	2 000	7 500	5 000	5 000
Biological or Cultivated Assets			-	-	-	-	-	-	-	-	-
Servitudes			-	-	-	-	-	-	-	-	-
Licences and Rights			-	-	-	-	-	-	-	-	-
Intangible Assets			-	-	-	-	-	-	-	-	-
Computer Equipment			-	-	-	-	-	-	-	-	-
Furniture and Office Equipment			-	-	-	-	-	-	-	-	-
Machinery and Equipment			2 284	1 881	2 121	3 100	3 000	3 000	500	-	2 000
Transport Assets			-	-	-	-	-	-	-	-	-
Land			-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals			-	-	-	-	-	-	-	-	-
Mature			-	-	-	-	-	-	-	-	-
Immature			-	-	-	-	-	-	-	-	-
Living Resources			-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets		6	17 222	11 743	51 661	30 013	31 213	31 213	24 482	24 453	21 900
Roads Infrastructure			-	-	-	-	-	-	-	-	-
Storm water Infrastructure			-	-	-	-	-	-	-	-	-
Electrical Infrastructure			7 267	11 632	50 306	24 030	25 230	25 230	23 400	24 453	21 900
Water Supply Infrastructure			-	-	-	-	-	-	-	-	-
Sanitation Infrastructure			-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure			-	-	-	-	-	-	-	-	-
Rail Infrastructure			-	-	-	-	-	-	-	-	-
Coastal Infrastructure			-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure			-	-	-	-	-	-	-	-	-
Infrastructure			7 267	11 632	50 306	24 030	25 230	25 230	23 400	24 453	21 900
Community Facilities			-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities			2 904	-	-	-	-	-	-	-	-
Community Assets			2 904	-	-	-	-	-	-	-	-
Heritage Assets			-	-	-	-	-	-	-	-	-
Revenue Generating			-	-	-	-	-	-	-	-	-
Non-revenue Generating			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Operational Buildings			-	111	710	4 200	4 200	4 200	-	-	-
Housing			-	-	-	-	-	-	-	-	-
Other Assets			-	111	710	4 200	4 200	4 200	-	-	-
Biological or Cultivated Assets			-	-	-	-	-	-	-	-	-
Servitudes			-	-	-	-	-	-	-	-	-
Licences and Rights			7 051	-	645	1 783	1 783	1 783	1 082	-	-
Intangible Assets			7 051	-	645	1 783	1 783	1 783	1 082	-	-
Computer Equipment			-	-	-	-	-	-	-	-	-
Furniture and Office Equipment			-	-	-	-	-	-	-	-	-
Machinery and Equipment			-	-	-	-	-	-	-	-	-
Transport Assets			-	-	-	-	-	-	-	-	-
Land			-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals			-	-	-	-	-	-	-	-	-
Mature			-	-	-	-	-	-	-	-	-
Immature			-	-	-	-	-	-	-	-	-
Living Resources			-	-	-	-	-	-	-	-	-
Total Capital Expenditure		4	853 607	695 210	574 971	1 339 880	1 140 830	1 140 830	1 343 987	1 318 567	1 328 045
Roads Infrastructure			224 782	152 562	103 218	133 520	91 146	91 146	190 158	201 635	208 610
Storm water Infrastructure			-	-	-	2 196	-	-	197	6 174	13 674
Electrical Infrastructure			100 102	120 328	180 836	222 145	275 345	275 345	241 860	260 587	253 448
Water Supply Infrastructure			153 936	68 718	98 564	250 682	184 838	184 838	251 929	211 289	229 087
Sanitation Infrastructure			142 638	117 967	29 348	247 635	225 456	225 456	248 888	323 764	319 937
Solid Waste Infrastructure			9 231	-	5 709	51 672	30 730	30 730	24 576	48 672	75 231
Rail Infrastructure			-	-	-	-	-	-	-	-	-
Coastal Infrastructure			-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure			-	-	-	-	-	-	-	-	-
Infrastructure			630 689	459 574	417 676	907 850	807 515	807 515	957 608	1 052 121	1 099 987
Community Facilities			34 766	37 732	28 602	136 615	162 023	162 023	129 923	73 826	59 932
Sport and Recreation Facilities			7 490	2 241	-	2 800	1 881	1 881	9 500	19 400	19 500
Community Assets			42 256	39 973	28 602	139 415	163 904	163 904	139 423	93 226	79 432
Heritage Assets			-	-	-	-	-	-	-	-	-
Revenue Generating			-	-	-	-	-	-	-	-	-
Non-revenue Generating			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Operational Buildings			-	160	1 247	6 200	6 200	6 200	7 500	5 000	5 000
Housing			-	-	-	-	-	-	-	-	-
Other Assets			-	160	1 247	6 200	6 200	6 200	7 500	5 000	5 000
Biological or Cultivated Assets			-	-	-	-	-	-	-	-	-
Servitudes			-	-	-	-	-	-	-	-	-
Licences and Rights			7 051	-	645	1 783	1 783	1 783	1 082	-	-
Intangible Assets			7 051	-	645	1 783	1 783	1 783	1 082	-	-
Computer Equipment			20 732	7 795	17 157	24 946	23 547	23 547	65 946	22 018	8 607
Furniture and Office Equipment			365	2 209	5 669	11 318	12 402	12 402	2 800	1 732	1 750
Machinery and Equipment			3 712	6 344	4 729	20 207	20 992	20 992	18 111	7 198	8 872
Transport Assets			148 803	179 154	99 248	228 160	104 489	104 489	151 517	137 273	124 398
Land			-	-	-	-	-	-	-	-	-

MAN Mangaung - Table A9 Consolidated Asset Management

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		853 607	695 210	574 971	1 339 880	1 140 830	1 140 830	1 343 987	1 318 567	1 328 045
ASSET REGISTER SUMMARY - PPE (WDV)	5	19 062 073	18 428 878	18 492 905	22 408 058	22 209 007	22 209 007	21 785 742	22 454 682	23 238 291
Roads Infrastructure		2 768 430	2 878 436	2 841 396	4 350 165	4 307 791	4 307 791	4 217 556	4 372 509	4 522 389
Storm water Infrastructure		-	-	-	2 196	-	-	197	6 174	13 674
Electrical Infrastructure		6 381 420	5 943 362	6 064 221	6 462 779	6 515 979	6 515 979	6 234 385	6 466 596	6 672 092
Water Supply Infrastructure		1 544 790	1 459 881	1 462 910	1 895 583	1 829 739	1 829 739	1 726 482	1 777 896	1 852 163
Sanitation Infrastructure		2 427 299	2 372 160	2 215 046	2 826 536	2 804 357	2 804 357	2 629 851	2 750 027	2 826 538
Solid Waste Infrastructure		140 874	123 716	400 936	51 672	30 730	30 730	24 576	48 672	75 231
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		13 262 812	12 777 555	12 984 509	15 588 932	15 488 596	15 488 596	14 833 047	15 421 874	15 962 087
Community Assets		3 466 516	3 311 260	3 223 595	1 109 240	1 133 729	1 133 729	1 313 815	1 309 456	1 337 333
Heritage Assets		244 667	254 696	258 245	259 790	259 790	259 790	257 729	255 151	327 600
Investment properties		1 585 611	1 587 424	1 590 666	1 635 047	1 635 047	1 635 047	1 595 760	1 598 313	1 600 870
Other Assets		399	451	385	1 556 755	1 556 755	1 556 755	1 461 007	1 510 288	1 561 863
Biological or Cultivated Assets		71 489	97 838	133 634	148 510	148 510	148 510	206 333	243 863	289 941
Intangible Assets		24 074	4 556	10 648	24 946	23 547	23 547	65 946	22 018	8 607
Computer Equipment		44 399	41 792	(139 802)	70 382	71 665	71 665	67 513	68 782	71 128
Furniture and Office Equipment		6 243	8 933	7 517	20 207	20 792	20 792	17 611	6 648	8 272
Machinery and Equipment		342 857	331 870	410 983	594 210	470 539	470 539	581 543	582 619	585 003
Transport Assets		9 331	9 331	9 331	1 396 804	1 396 804	1 396 804	1 381 088	1 430 289	1 479 295
Land		3 676	3 171	3 194	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	3 234	3 234	3 234	4 352	5 383	6 293
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	19 062 073	18 428 878	18 492 905	22 408 058	22 209 007	22 209 007	21 785 742	22 454 682	23 238 291
EXPENDITURE OTHER ITEMS		1 533 702	1 454 281	1 448 726	963 842	1 274 070	1 274 070	1 384 196	1 484 850	1 549 197
Depreciation	7	906 729	885 335	853 274	420 694	674 788	674 788	752 070	857 195	894 454
Repairs and Maintenance by Asset Class	3	626 973	568 946	595 452	543 148	599 281	599 281	632 126	627 655	654 743
Roads Infrastructure		71 052	75 859	79 583	82 113	72 226	72 226	88 733	86 264	90 224
Storm water Infrastructure		3 279	3 372	-	431	431	431	88	94	99
Electrical Infrastructure		98 761	100 935	109 198	6 121	11 651	11 651	9 814	10 328	10 738
Water Supply Infrastructure		131 258	109 135	120 417	133 380	139 642	139 642	167 417	152 223	159 630
Sanitation Infrastructure		154 893	108 028	86 233	84 359	104 822	104 822	110 162	108 007	113 638
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		1	-	-	6	6	6	30	21	21
Infrastructure		459 244	397 329	395 432	306 410	328 777	328 777	376 244	356 937	374 350
Community Facilities		-	-	-	-	-	-	4 000	4 400	4 840
Sport and Recreation Facilities		934	650	1 665	626	2 026	2 026	653	683	700
Community Assets		934	650	1 665	626	2 026	2 026	4 653	5 083	5 540
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		68 372	67 321	74 819	85 937	92 125	92 125	119 318	125 062	129 211
Housing		-	-	-	-	-	-	-	-	-
Other Assets		68 372	67 321	74 819	85 937	92 125	92 125	119 318	125 062	129 211
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		10 046	9 804	8 831	18 740	21 972	21 972	33 727	37 412	38 416
Machinery and Equipment		14 458	15 816	31 031	44 293	42 763	42 763	8 025	8 334	8 573
Transport Assets		73 919	78 026	83 675	87 143	111 619	111 619	90 159	94 828	98 653
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		1 533 702	1 454 281	1 448 726	963 842	1 274 070	1 274 070	1 384 196	1 484 850	1 549 197
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		23.4%	14.4%	28.1%	20.1%	28.9%	28.9%	39.0%	40.7%	40.8%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		22.0%	11.3%	18.9%	63.9%	48.8%	48.8%	69.8%	62.6%	60.5%
<i>R&M as a % of PPE & Investment Property</i>		3.3%	3.1%	3.3%	2.5%	2.7%	2.7%	3.0%	2.9%	2.9%
<i>Renewal and upgrading and R&M as a % of PPE and Investment Property</i>		4.4%	3.7%	4.2%	3.7%	4.3%	4.3%	5.4%	5.3%	5.3%

8. CONSOLIDATED BASIC SERVICE DELIVERY MEASUREMENT TABLE A10

Table A10 provides an overview of service delivery levels for each of the main services namely water, sanitation/ sewerage, electricity and refuse removal.

MAN Mangaung - Table A10 Consolidated basic service delivery measurement

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Household service targets	1									
Water:										
Piped water inside dwelling		-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Energy:										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Refuse:										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		-	37 165	-	71 098	71 098	71 098	72 520	73 245	73 977
Sanitation (free minimum level service)		-	-	-	-	-	-	72 520	73 245	73 977
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	72 520	73 245	73 977
Refuse (removed at least once a week)		-	-	-	-	-	-	72 250	73 245	73 977
Informal Settlements		-	213	-	33 794	33 794	33 794	155	158	161
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per indigent household per month)		118 595	121 695	136 373	205 426	205 426	205 426	162 373	175 251	192 934
Sanitation (free sanitation service to indigent households)		162 332	157 279	173 202	181 026	181 026	181 026	190 881	201 465	208 567
Electricity/other energy (50kwh per indigent household per month)		21 967	26 063	26 521	(69 079)	(69 079)	(69 079)	59 261	63 030	67 562
Refuse (removed once a week for indigent households)		98 975	95 843	106 857	111 826	111 826	111 826	122 407	129 195	133 749
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	410 597	-	452 540	452 540	452 540	499 149	548 924	599 820
Total cost of FBS provided	8	401 869	811 477	442 953	881 739	881 739	881 739	1 034 071	1 117 865	1 202 632
Highest level of free service provided per household										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		136 294	216 205	234 579	219 666	219 666	219 666	231 625	244 468	253 086
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided	6	136 294	216 205	234 579	219 666	219 666	219 666	231 625	244 468	253 086

9. SUPPLEMENTARY SCHEDULES TO TABLE A1 TO A10

Support Table SA1: Supporting details to Budgeted Financial Performance

The table below provides detailed information on specific line items as outlined on Table A4 above to enable the readers to gain an understanding of the major revenue and expenditure i.e. more information is given on the number that influenced items like 'other' Revenue by Sources and Employee related costs.

MAN Mangaung - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
REVENUE ITEMS:											
Non-exchange revenue by source											
Exchange Revenue	6										
Total Property Rates		1 524 089	1 725 051	1 682 738	1 873 719	1 873 719	1 873 719	1 636 774	1 975 724	2 085 278	2 158 784
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		136 294	216 205	234 579	219 666	219 666	219 666	212 738	231 625	244 468	253 086
Net Property Rates		1 387 795	1 508 845	1 448 159	1 654 053	1 654 053	1 654 053	1 424 036	1 744 100	1 840 810	1 905 699
Exchange revenue service charges											
Service charges - Electricity	6										
Total Service charges - Electricity		2 898 373	3 021 293	3 307 917	4 076 473	4 208 433	4 208 433	2 950 789	4 478 779	4 763 435	5 105 417
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)											
Less Cost of Free Basis Services (50 kwh per indigent household per month)		21 967	26 063	26 521	(69 079)	(69 079)	(69 079)	32 121	59 261	63 030	67 562
Net Service charges - Electricity		2 876 406	2 995 230	3 281 396	4 145 552	4 277 512	4 277 512	2 918 668	4 419 517	4 700 405	5 037 854
Service charges - Water	6										
Total Service charges - Water		1 178 273	1 267 606	1 453 211	1 644 537	1 644 537	1 644 537	1 413 333	1 807 435	1 950 920	2 147 768
Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)											
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)		118 595	121 695	136 373	205 426	205 426	205 426	117 748	162 373	175 251	192 934
Net Service charges - Water		1 059 678	1 145 911	1 316 838	1 439 110	1 439 110	1 439 110	1 295 585	1 645 063	1 775 670	1 954 835
Service charges - Waste Water Management											
Total Service charges - Waste Water Management		562 906	630 820	648 835	739 630	739 630	739 630	614 874	779 895	823 140	852 156
Less Revenue Foregone (in excess of free sanitation service to indigent households)											
Less Cost of Free Basis Services (free sanitation service to indigent households)		162 332	157 279	173 202	181 026	181 026	181 026	156 292	190 881	201 465	208 567
Net Service charges - Waste Water Management		400 574	473 541	475 634	558 604	558 604	558 604	458 582	589 015	621 676	643 590
Service charges - Waste Management	6										
Total refuse removal revenue		249 171	265 226	289 274	309 537	309 537	309 537	255 839	323 256	341 181	353 207
Total landfill revenue											
Less Revenue Foregone (in excess of one removal a week to indigent households)											
Less Cost of Free Basis Services (removed once a week to indigent households)		98 975	95 843	106 857	111 826	111 826	111 826	96 829	122 407	129 195	133 749
Net Service charges - Waste Management		150 197	169 383	182 417	197 710	197 710	197 710	159 010	200 849	211 986	219 458
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	1 329 629	1 286 821	1 338 378	1 529 342	1 453 634	1 453 634	1 215 334	1 641 074	1 657 630	1 724 910
Pension and UIF Contributions		229 212	238 494	245 190	266 064	264 065	264 065	216 246	273 794	288 096	299 618
Medical Aid Contributions		125 451	128 903	138 745	164 486	164 119	164 119	123 868	165 785	174 489	181 468
Overtime		209 511	215 767	257 374	117 666	138 642	138 642	229 652	115 079	121 121	125 966
Performance Bonus		93 558	99 053	103 198	114 365	113 414	113 414	92 127	118 253	124 440	129 403
Motor Vehicle Allowance		124 738	135 604	150 219	162 517	158 136	158 136	137 380	165 026	173 666	180 594
Cellphone Allowance		3 141	3 252	3 310	4 756	4 707	4 707	3 466	4 447	4 548	4 630
Housing Allowances		7 204	7 385	7 863	17 638	17 736	17 736	10 096	11 370	11 966	12 445
Other benefits and allowances		31 480	34 093	36 447	32 452	32 447	32 447	33 000	40 487	42 613	44 317
Payments in lieu of leave		25 571	34 507	56 413	35 299	35 299	35 299	32 357	45 304	47 683	49 590
Long service awards		23 284	21 013	21 641	15 257	15 257	15 257	7 184	15 990	16 829	17 502
Postretirement benefit obligations	4	8 458	(19 385)	48 687	52 265	52 265	52 265	48 228	57 966	60 999	63 439
Entertainment		-	-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-	-
Acting and post related allowance		33 345	38 123	54 514	1 418	46 233	46 233	52 076	1 094	1 151	1 197
In kind benefits		-	-	-	-	-	-	-	-	-	-
sub-total	5	2 244 582	2 223 632	2 461 979	2 513 360	2 495 954	2 495 954	2 201 013	2 655 658	2 725 232	2 835 079
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	2 244 582	2 223 632	2 461 979	2 513 360	2 495 954	2 495 954	2 201 013	2 655 658	2 725 232	2 835 079
Depreciation and amortisation											
Depreciation of Property, Plant & Equipment		877 242	832 050	814 572	412 592	667 709	667 709	659 630	741 569	841 413	878 277
Lease amortisation		11 611	9 009	9 258	8 102	7 079	7 079	4 012	10 501	15 782	16 177
Capital asset impairment		17 876	44 275	29 444	-	-	-	-	-	-	-
Total Depreciation and amortisation	1	906 729	885 335	853 274	420 694	674 788	674 788	663 642	752 070	857 195	894 454
Bulk purchases - electricity											
Electricity bulk purchases		1 875 528	2 216 593	3 032 518	2 569 190	2 802 190	2 802 190	2 468 600	2 974 985	3 134 444	3 328 466
Total bulk purchases	1	1 875 528	2 216 593	3 032 518	2 569 190	2 802 190	2 802 190	2 468 600	2 974 985	3 134 444	3 328 466
Transfers and grants											
Cash transfers and grants		7 244	-	4 992	361	361	361	-	15 000	-	-
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	7 244	-	4 992	361	361	361	-	15 000	-	-
Contracted Services											
Outsourced Services		207 224	232 049	328 286	117 603	208 129	208 129	153 751	184 753	186 654	190 821
Consultants and Professional Services		143 314	109 378	118 831	210 827	210 063	210 063	107 283	213 455	205 933	216 806
Contractors		340 532	297 346	336 996	291 613	355 358	355 358	212 765	417 328	388 615	405 403
Total contracted services		691 070	638 774	784 114	620 042	773 550	773 550	473 799	815 537	781 202	813 050
Operational Costs											
Collection costs		(59 683)	(79 695)	21 722	9 156	15 756	15 756	10 826	9 722	10 159	10 413
Contributions to 'other' provisions		-	-	-	277	277	277	-	289	302	310
Audit fees		20 008	23 839	25 757	15 121	25 302	25 302	25 223	15 655	16 360	16 769
Other Operational Costs		600 491	695 143	535 258	448 321	400 412	400 412	347 716	457 201	482 438	533 257
Total Operational Costs	1	560 817	639 288	582 736	472 875	441 747	441 747	383 765	482 868	509 260	560 749
Repairs and Maintenance by Expenditure Item											
Employee related costs	8	393 752	398 356	411 652	300 835	312 466	312 466	354 737	306 335	316 097	328 737
Inventory Consumed (Project Maintenance)		19 788	25 710	27 261	24 383	30 713	30 713	25 460	24 270	25 422	26 206
Contracted Services		201 889	138 621	148 479	212 572	249 044	249 044	152 917	292 584	276 773	290 155
Operational Costs		11 542	6 259	8 061	5 359	7 059	7 059	7 994	8 938	9 363	9 644
Total Repairs and Maintenance Expenditure	9	626 973	568 946	595 452	543 148	599 281	599 281	541 108	632 126	627 655	654 743
Inventory Consumed											
Inventory Consumed - Water		830 791	810 883	910 222	513 300	513 300	513 300	746 289	545 573	570 490	596 000
Inventory Consumed - Other		85 776	115 462	141 004	128 768	128 768	128 768	155 071	172 163	181 566	188 981
Total Inventory Consumed & Other Material		916 568	926 344	1 051 227	642 068	642 068	642 068	901 361	717 735	752 055	784 982

a. Supporting Table SA2: Consolidated Matrix Financial Performance Budget (Revenue and Source)

MAN Mangaung - Supporting Table SA2 Consolidated Matrix Financial Performance Budget (revenue source/expenditure type & dept.)

	Ref	Vote 01 - City Manager	Vote 02 - Executive And Council	Vote 03 - Corporate Services	Vote 04 - Financial Services	Vote 05 - Community And Social Development	Vote 06 - Planning And Human Settlement	Vote 07 - Economic And Rural Development	Vote 08 - Roads And Transport	Vote 09 - Water And Sanitation	Vote 10 - Municipal General	Vote 11 - Public Safety And Security	Vote 12 - Centec	Vote 13 - N/A1	Vote 14 - NA	Vote 15 - Other	Total
R thousand																	
Revenue	1																
Exchange Revenue																	
Service charges - Electricity								1 505		1 645 063			4 418 012				4 419 517
Service charges - Water										588 015							1 645 063
Service charges - Waste Water Management						200 849	18 168	44	18 062				4 848				589 015
Service charges - Waste Management						4 835											200 849
Sale of Goods and Rendering of Services																	67 108
Agency services																	
Interest																	
Interest earned from Receivables																	
Interest earned from Current and Non Current Assets																	
Dividends																	618 133
Rent on Land																	87 518
Rental from Fixed Assets																	10
Licence and permits																	
Special rating levies																	
Operational Revenue		0	1	6	4 684		2	34 118				1	4 259				43 081
Non-Exchange Revenue																	
Property rates																	1 744 100
Surcharges and Taxes																	
Fines, penalties and forfeits																	
Licences or permits																	52 207
Transfer and subsidies - Operational																	1 827
Interest																	1 361 141
Fuel Levy																	195 462
Operational Revenue																	
Gains on disposal of Assets																	
Other Gains																	427 562
Discontinued Operations																	
Total Revenue (excluding capital transfers and contribution)		0	1	13 720	1 988 126	569 095	60 743	40 073	18 062	3 637 425	663 235	26 025	4 624 083				11 640 587
Expenditure																	
Employee related costs																	2 653 658
Remuneration of councillors																	83 728
Bulk purchases - electricity																	2 974 985
Inventory consumed																	717 735
Debt impairment																	2 245 155
Depreciation and amortisation																	752 070
Interest																	12 723
Contracted services																	815 537
Transfers and subsidies																	15 000
Irrecoverable debts written off																	
Operational costs																	602 868
Losses on disposal of Assets																	
Other Losses																	399 427
Total Expenditure		157 619	190 227	377 935	933 074	635 862	250 071	71 725	664 853	3 158 366	185 682	375 939	4 270 939			2 855	11 271 887
Surplus/(Deficit)		(157 619)	(190 226)	(364 215)	1 055 053	(66 467)	(189 329)	(31 652)	(646 791)	479 039	477 553	(349 934)	353 144			(2 855)	365 700
Transfers and subsidies - capital (monetary allocations)																	
Transfers and subsidies - capital (in-kind)																	1 017 011
Surplus/(Deficit) after capital transfers & contributions		(157 619)	(190 226)	(364 215)	1 055 053	(66 467)	(189 329)	(31 652)	(646 791)	479 039	1 411 322	(349 934)	436 387			(2 855)	1 382 711

Supporting Table SA3: Supporting details to “Budgeted Financial Position”

The table below provides to the reader of Table A6 more information as to the composition of the major categories of the items disclosed on the Budgeted Financial Position of the municipality for ease of comparison.

MAN Mangaung - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
ASSETS											
Trade and other receivables from exchange transactions											
Electricity		1 193 372	1 170 166	962 632	2 768 403	2 768 403	2 768 403	748 759	2 974 748	4 064 898	4 943 212
Water		4 024 157	4 761 154	5 196 253	6 607 052	6 607 052	6 607 052	6 047 273	7 185 350	7 680 909	8 102 658
Waste		432 197	529 581	639 288	747 112	747 112	747 112	726 782	805 689	865 522	914 122
Waste Water		981 563	1 195 312	1 414 849	1 721 228	1 721 228	1 721 228	1 619 249	1 859 879	2 027 070	2 161 568
Other trade receivables from exchange transactions		266 357	342 022	390 994	81 955	81 955	81 955	456 930	88 666	88 666	88 666
Gross: Trade and other receivables from exchange transactions		6 897 646	7 998 236	8 604 016	11 925 749	11 925 749	11 925 749	9 598 993	12 914 333	14 727 065	16 210 226
Less: Impairment for debt		(5 053 967)	(6 530 454)	(7 066 711)	(10 075 371)	(10 075 371)	(10 075 371)	(8 366 712)	(10 616 507)	(12 355 601)	(14 094 516)
Impairment for Electricity		(62 611)	(464 346)	(464 346)	(1 568 781)	(1 568 781)	(1 568 781)	(464 346)	(1 430 753)	(1 524 544)	(1 625 078)
Impairment for Water		(3 370 072)	(4 271 961)	(4 471 071)	(6 382 357)	(6 382 357)	(6 382 357)	(5 452 802)	(6 732 083)	(7 956 906)	(9 151 020)
Impairment for Waste		(368 340)	(448 647)	(546 924)	(654 115)	(654 115)	(654 115)	(632 085)	(741 331)	(881 968)	(1 030 562)
Impairment for Waste Water		(831 763)	(1 001 689)	(1 200 522)	(1 401 388)	(1 401 388)	(1 401 388)	(1 385 586)	(1 638 591)	(1 918 434)	(2 214 109)
Impairment for other trade receivables from exchange transactions		(421 181)	(343 811)	(383 848)	(68 730)	(68 730)	(68 730)	(431 893)	(73 748)	(73 748)	(73 748)
Total net Trade and other receivables from Exchange Transactions		1 843 679	1 467 782	1 537 305	1 850 379	1 850 379	1 850 379	1 232 281	2 297 826	2 371 464	2 115 710
Receivables from non-exchange transactions											
Property rates		1 770 700	2 121 915	2 443 907	3 031 875	3 031 875	3 031 875	2 750 583	3 307 989	3 710 050	4 036 733
Less: Impairment of Property rates		(1 431 812)	(1 703 007)	(1 993 972)	(2 324 239)	(2 324 239)	(2 324 239)	(2 290 992)	(2 848 082)	(3 329 484)	(3 838 119)
Net Property rates		338 888	418 908	449 935	707 636	707 636	707 636	459 591	459 906	380 566	198 613
Other receivables from non-exchange transactions		283 847	12 498	22 352	-	-	-	22 352	-	-	-
Impairment for other receivables from non-exchange transactions		(283 026)	(11 381)	(18 551)	-	-	-	(18 551)	-	-	-
Net other receivables from non-exchange transactions		822	1 117	3 802	-	-	-	3 802	-	-	-
Total net Receivables from non-exchange transactions		339 710	420 024	453 737	707 636	707 636	707 636	463 393	459 906	380 566	198 613
Inventory											
Water											
Opening Balance		4 507	4 507	4 507	4 342	4 342	4 342	4 342	4 388	4 427	4 472
System Input Volume		830 791	810 883	910 057	885 046	885 046	885 046	776 884	945 044	988 204	1 032 392
Water Treatment Works		-	-	-	-	-	-	-	-	-	-
Bulk Purchases		830 791	810 883	910 222	885 046	885 046	885 046	776 884	945 044	988 204	1 032 392
Natural Sources		-	-	(165)	-	-	-	-	-	-	-
Authorised Consumption	6	(830 791)	(810 883)	(910 222)	(513 300)	(513 300)	(513 300)	(746 289)	(545 573)	(570 490)	(596 000)
Billed Authorised Consumption		(830 791)	(810 883)	(910 222)	(477 369)	(477 369)	(477 369)	(746 289)	(507 382)	(530 556)	(554 280)
Billed Metered Consumption		(830 791)	(810 883)	(910 222)	(431 172)	(431 172)	(431 172)	(746 289)	(458 281)	(479 212)	(500 640)
Free Basic Water		-	-	-	(56 463)	(56 463)	(56 463)	(746 289)	(60 013)	(62 754)	(65 560)
Subsidised Water		-	-	-	-	-	-	-	-	-	-
Revenue Water		(830 791)	(810 883)	(910 222)	(374 709)	(374 709)	(374 709)	-	(398 268)	(416 458)	(435 080)
Billed Unmetered Consumption		-	-	-	(46 197)	(46 197)	(46 197)	-	(49 102)	(51 344)	(53 640)
Free Basic Water		-	-	-	-	-	-	-	-	-	-
Subsidised Water		-	-	-	-	-	-	-	-	-	-
Revenue Water		-	-	-	(46 197)	(46 197)	(46 197)	-	(49 102)	(51 344)	(53 640)
UnBilled Authorised Consumption		-	-	-	(35 931)	(35 931)	(35 931)	-	(38 190)	(39 934)	(41 720)
Unbilled Metered Consumption		-	-	-	(35 931)	(35 931)	(35 931)	-	(38 190)	(39 934)	(41 720)
Unbilled Unmetered Consumption		-	-	-	-	-	-	-	-	-	-
Water Losses		-	-	-	(371 700)	(371 700)	(371 700)	-	(399 432)	(417 670)	(436 347)
Apparent losses		-	-	-	(166 926)	(166 926)	(166 926)	-	(179 379)	(187 571)	(195 959)
Unauthorised Consumption		-	-	-	(13 354)	(13 354)	(13 354)	-	(14 350)	(15 006)	(15 677)
Customer Meter Inaccuracies		-	-	-	(153 572)	(153 572)	(153 572)	-	(165 028)	(172 565)	(180 282)
Real losses		-	-	-	(204 774)	(204 774)	(204 774)	-	(220 053)	(230 099)	(240 388)
Leakage on Transmission and Distribution Mains		-	-	-	(81 939)	(81 939)	(81 939)	-	(88 051)	(92 073)	(96 190)
Leakage and Overflows at Storage Tanks/Reservoirs		-	-	-	(81 939)	(81 939)	(81 939)	-	(88 051)	(92 073)	(96 190)
Leakage on Service Connections up to the point of Customer Meter		-	-	-	(40 896)	(40 896)	(40 896)	-	(43 946)	(45 953)	(48 008)
Data Transfer and Management Errors		-	-	-	-	-	-	-	-	-	-
Unavoidable Annual Real Losses		-	-	-	-	-	-	-	(4)	-	-
Non-revenue Water		-	-	-	(407 631)	(407 631)	(407 631)	-	(437 622)	(457 604)	(478 067)
Correction of Prior period errors		-	-	-	-	-	-	-	-	-	-
Closing Balance Water		4 507	4 507	4 342	4 388	4 388	4 388	34 937	4 427	4 472	4 516

Agricultural									
Opening Balance									
Acquisitions			154	154	154	–	161	167	169
Issues	7		(147)	(147)	(147)	–	(153)	(160)	(164)
Adjustments	8		–	–	–	–	–	–	–
Write-offs	9		–	–	–	–	–	–	–
Correction of Prior period errors									
Closing balance - Agricultural									
			7	7	7	–	8	6	5
Consumables									
Standard Rated									
Opening Balance									
Acquisitions		99 343	126 421	131 039	231 122	231 122	231 122	231 122	10 606
Issues	7	97 230	101 493	219 688	3	3	3	165 632	3
Adjustments	8	(66 522)	(90 414)	(115 583)	(3)	(3)	(3)	(133 508)	(3)
Write-offs	9	346	(3 385)	–	–	–	715	(220 516)	–
Correction of Prior period errors									
Closing balance - Consumables Standard Rated									
		126 421	131 039	231 122	231 122	231 122	263 948	10 606	10 606
Zero Rated									
Opening Balance									
Acquisitions		1 381	1 300	851	1 380	1 380	1 380	2 212	2 402
Issues	7	21 181	26 004	26 957	17 480	17 480	17 480	24 478	20 598
Adjustments	8	(19 254)	(25 047)	(25 421)	(16 647)	(16 647)	(16 647)	(21 564)	(19 617)
Write-offs	9	(2 008)	(1 405)	(1 008)	–	–	–	(791)	–
Correction of Prior period errors									
Closing balance - Consumables Zero Rated									
		1 300	851	1 380	2 212	2 212	2 212	4 294	2 402
Finished Goods									
Opening Balance									
Acquisitions		–	–	–	–	–	–	0	0
Issues	7				1	1	1	–	1
Adjustments	8				(1)	(1)	(1)	–	(1)
Write-offs	9				–	–	–	(0)	–
Correction of Prior period errors									
Closing balance - Finished Goods									
		–	–	–	0	0	0	–	0
Materials and Supplies									
Opening Balance									
Acquisitions		1 725	1 725	1 725	5 041	5 041	5 041	5 041	10 639
Issues	7				117 568	117 568	117 568	–	160 008
Adjustments	8			3 316	(111 970)	(111 970)	(111 970)	–	(152 388)
Write-offs	9				–	–	–	221 968	(160 901)
Correction of Prior period errors									
Closing balance - Materials and Supplies									
		1 725	1 725	5 041	10 639	10 639	10 639	5 041	240 226
Work-in-progress									
Opening Balance									
Materials		–	–	–	–	–	–	–	–
Transfers									
Closing balance - Work-in-progress									
		–	–	–	–	–	–	–	–
Housing Stock									
Opening Balance									
Acquisitions		(597)	(911)	(911)	–	–	–	–	–
Transfers		(62)		1 035	–	–	–	–	–
Sales		(253)		(124)	–	–	–	(65)	–
Correction of Prior period errors									
Closing Balance - Housing Stock									
		(911)	(911)	–	–	–	–	(65)	–
Land									
Opening Balance									
Acquisitions		521 736	537 952	550 030	577 155	577 155	577 155	577 155	1 188 473
Sales		21 199	5 299	10 958	–	–	–	–	–
Adjustments		(19 274)	(522)	(823)	–	–	–	–	–
Correction of Prior period errors		14 347	6 331	5 882	611 318	611 318	611 318	–	611 318
Transfers		(55)	970	11 109	–	–	–	(1 234 941)	–
Closing Balance - Land									
		537 952	550 030	577 155	1 188 473	1 188 473	1 188 473	577 155	564 850
Closing Balance - Inventory & Consumables									
		670 993	687 240	819 040	1 436 841	1 436 841	1 436 841	885 310	822 519
Property, plant and equipment (PPE)									
PPE at cost/valuation (excl. finance leases)		27 022 975	27 084 714	27 964 788	29 634 066	29 435 016	29 435 016	28 413 472	30 701 792
Leases recognised as PPE	3	969	5 820	5 820	–	–	–	5 820	–
Less: Accumulated depreciation		8 739 038	9 550 584	10 351 386	9 272 589	9 272 589	9 272 589	11 011 325	10 980 224
Total Property, plant and equipment (PPE)									
	2	18 284 906	17 539 950	17 619 222	20 361 477	20 162 427	20 162 427	17 407 966	19 721 568

LIABILITIES										
Current liabilities - Borrowing										
Short term loans (other than bank overdraft)	53 177	58 754	64 828	—	—	—	64 828	—	—	—
Current portion of long-term liabilities	67 122	(177 295)	(351 852)	95 090	95 090	95 090	(479 507)	56 214	—	—
Total Current liabilities - Borrowing	120 300	(118 541)	(287 024)	95 090	95 090	95 090	(414 679)	56 214	—	—
Trade and other payables										
Trade and other payables from exchange transactions	4 557 586	4 123 992	4 137 473	2 097 314	2 097 314	2 097 314	3 771 748	3 152 808	3 542 128	4 179 202
Other trade payables from exchange transactions	803 609	803 609	803 609	—	—	—	803 609	—	—	—
Trade payables from Non-exchange transactions: Unspent conditional Grants	561 047	369 930	193 595	—	—	—	534 514	—	—	—
Trade payables from Non-exchange transactions: Other	—	—	—	—	—	—	—	—	—	—
VAT	3 790 721	4 204 308	4 605 955	41 037	41 037	41 037	4 958 387	76 441	77 205	77 977
Total Trade and other payables	9 712 964	9 501 840	9 740 631	2 138 351	2 138 351	2 138 351	10 068 258	3 229 249	3 619 333	4 257 179
Non current liabilities - Financial liabilities										
Borrowing	976 017	976 993	952 763	53 669	53 669	53 669	952 809	—	—	—
Other financial liabilities	—	—	—	—	—	—	—	—	—	—
Total Non current liabilities - Financial liabilities	976 017	976 993	952 763	53 669	53 669	53 669	952 809	—	—	—
Non current liabilities - Long Term portion of trade payables										
Electricity Bulk Purchases	—	—	—	297 107	297 107	297 107	—	273 926	232 314	190 702
Payables and Accruals - General	—	—	—	—	—	—	—	—	—	—
Water Bulk Purchases	—	—	—	257 881	257 881	257 881	—	128 940	—	—
Municipal Debt Relief	—	—	—	—	—	—	—	—	—	—
Total Non current liabilities - Long Term portion of trade payables	—	—	—	554 987	554 987	554 987	—	402 867	232 314	190 702
Provisions - non-current										
Retirement benefits	—	3 005	14 912	547 903	547 903	547 903	47 438	701 757	715 792	730 108
Refuse landfill site rehabilitation	108 401	129 646	277 989	236 337	236 337	236 337	277 989	266 641	271 980	319 165
Other	1 480 201	1 360 963	1 360 963	566 100	566 100	566 100	1 360 963	666 052	660 503	655 035
Total Provisions non-current	1 588 602	1 493 614	1 653 864	1 350 341	1 350 341	1 350 341	1 686 390	1 634 450	1 648 275	1 704 309
CHANGES IN NET ASSETS										
Accumulated surplus/(deficit)										
Accumulated surplus/(deficit) - opening balance	13 325 819	12 172 381	12 030 865	15 509 500	16 015 098	16 015 098	11 447 162	14 614 734	16 548 058	18 410 250
GRAP adjustments	—	—	—	—	—	—	—	—	—	—
Restated balance	13 325 819	12 172 381	12 030 865	15 509 500	16 015 098	16 015 098	11 447 162	14 614 734	16 548 058	18 410 250
Surplus/(Deficit)	(941 929)	(188 324)	(731 795)	2 060 314	1 404 299	1 404 299	(243 742)	1 502 711	1 721 463	1 883 577
Transfers to/from Reserves	1 750	1 756	1 635	—	—	—	—	—	—	—
Depreciation offsets	16 376	11 823	11 859	—	—	—	—	—	—	—
Other adjustments	(58 051)	(211 587)	(144 171)	—	—	—	1 916	—	—	—
Accumulated Surplus/(Deficit)	12 343 965	11 786 049	11 168 392	17 569 814	17 419 397	17 419 397	11 205 336	16 117 445	18 269 520	20 293 827
Reserves										
Housing Development Fund	—	—	—	—	—	—	—	—	—	—
Capital replacement	—	—	—	—	—	—	—	—	—	—
Self-insurance	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000
Other reserves	19 140	17 384	15 749	17 384	17 384	17 384	15 749	15 749	15 749	15 749
Revaluation	5 218 587	4 991 013	4 983 419	5 116 799	5 116 799	5 116 799	4 983 419	5 001 676	4 976 667	5 026 434
Total Reserves	5 247 727	5 018 397	5 009 168	5 144 183	5 144 183	5 144 183	5 009 168	5 027 425	5 002 416	5 052 183
TOTAL COMMUNITY WEALTH/EQUITY	17 591 692	16 804 446	16 177 560	22 713 996	22 563 580	22 563 580	16 214 504	21 144 870	23 271 937	25 346 011

10. SERVICES TARIFFS

Electricity Tariffs

It is recommended:

- That the electricity tariffs for the 2025/26 financial year be increased with 12.70% (on average) above the previous year and by 6.36% and 7.19% in the two respective outer years subject to Nersa approval.
- That the new electricity tariffs for 2025/26 be applicable from the consumer month of 1 July 2025.
- That for the calculation of electricity accounts the consumer month will be the period between the successive monthly readings irrespective of the period between reading dates and with a winter and summer component for all tariffs.
- That the following charges and prices excluding VAT in connection with the supply and consumption of electricity are submitted for approval.

**SERVICES COSTS -
ELECTRICITY TARIFFS
2024/2025 TO 2027/2028**

Prepayment Inclining Block for Indigents Tariff	2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)		2027/2028	
	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
Indigent (1 to 50) Free Basic Electricity	1,92	2,44	13,50%		2,18	2,77	6,36%		2,32	2,94	7,19%		2,48	3,16
Indigent (51 to 350) Lifeline Tariff	2,04	2,60	13,50%		2,32	2,96	6,36%		2,47	3,14	7,19%		2,64	3,37
Indigent (> 350) Lifeline Tariff	2,79	3,09	13,50%		3,16	3,51	6,36%		3,37	3,73	7,19%		3,61	4,00
Overall			13,50%				6,36%				7,19%			
Pre Payment Inclining Block Tariff	2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)		2027/2028	
	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
EL0001/ELSM01	2,46	3,04	13,50%		2,79	3,45	6,36%		2,97	3,67	7,19%		3,19	3,94
Block 1 (1 - 350kWh)			13,50%		3,23	4,19	6,36%		3,43	4,46	7,19%		3,68	4,78
Block 2 (351kWh and above)	2,84	3,69	13,50%				6,36%				7,19%			
Overall (Including Indigent Tariffs)			13,50%				6,36%				7,19%			
Conventional Inclining Block	2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)		2027/2028	
	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
EL0001	2,46	3,04	13,50%		2,79	3,45	6,36%		2,97	3,67	7,19%		3,19	3,94
Block 1 (1 - 350kWh)			13,50%		3,23	4,19	6,36%		3,43	4,46	7,19%		3,68	4,78
Block 2 (351kWh and above)	2,84	3,69	13,50%				6,36%				7,19%			
Overall			13,50%				6,36%				7,19%			
Homeflex Tariff Single Phase	2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)		2027/2028	
	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
Single Phase Basic Charge	263,35	263,35	13,50%		298,90	298,90	6,36%		317,91	317,91	7,19%		340,76	340,76
Peak Energy (kWh)	3,42	6,30	13,50%		3,88	7,15	6,36%		4,13	7,61	7,19%		4,43	8,15
Standard Energy (kWh)	2,57	3,46	13,50%		2,91	3,93	6,36%		3,10	4,18	7,19%		3,32	4,48
OffPeak Energy (kWh)	2,17	3,34	13,50%		2,46	3,79	6,36%		2,62	4,03	7,19%		2,80	4,32
Overall			13,50%				6,36%				7,19%			
Homeflex Tariff Three Phase	2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)		2027/2028	
	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
Three Phase Basic Charge	750,12	750,12	13,50%		851,38	851,38	6,36%		905,53	905,53	7,19%		970,64	970,64
Peak Energy (kWh)	3,42	6,30	13,50%		3,88	7,15	6,36%		4,13	7,61	7,19%		4,43	8,15
Standard Energy (kWh)	2,57	3,46	13,50%		2,91	3,93	6,36%		3,10	4,18	7,19%		3,32	4,48
OffPeak Energy (kWh)	2,17	3,34	13,50%		2,46	3,79	6,36%		2,62	4,03	7,19%		2,80	4,32
Overall			13,50%				6,36%				7,19%			
Pre Payment Flat Business Tariff	2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)		2027/2028	
	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
Units (kWh)	3,67	3,84	13,50%		4,17	4,35	6,36%		4,43	4,63	7,19%		4,75	4,96
Overall			13,50%				6,36%				7,19%			
Rotary Flat Business Tariff (EL0005) Conventional Flat Business Tariff	2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)		2027/2028	
	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter	Summer	Winter
Units (kWh)	3,67	3,84	13,50%		4,17	4,35	6,36%		4,43	4,63	7,19%		4,75	4,96
Overall			13,50%				6,36%				7,19%			

SERVICES COSTS - ELECTRICITY TARIFFS

Complex Single Phase		2024/2025				% Increase (for 2025/26)				2025/2026				% Increase (for 2026/27)				2026/2027				% Increase (for 2027/28)				2027/2028			
		Summer		Winter				Summer		Winter				Summer		Winter				Summer		Winter				Summer		Winter	
	Single Phase Basic Charge	260,76	260,76	13,50%	295,96	295,96	6,36%	314,78	314,78	7,19%	337,42	337,42	7,19%	358,43	358,43	7,19%	379,45	379,45	7,19%	400,47	400,47	7,19%	421,49	421,49	7,19%	442,51	442,51	7,19%	
	Peak Energy (kWh)	4,05	6,00	13,50%	4,59	6,81	6,36%	4,89	7,24	7,19%	5,24	7,76	7,19%	5,59	8,04	7,19%	5,94	8,39	7,19%	6,29	8,74	7,19%	6,64	9,09	7,19%	6,99	9,44	7,19%	
	Standard Energy (kWh)	2,26	3,67	13,50%	2,56	4,16	6,36%	2,73	4,43	7,19%	2,92	4,75	7,19%	3,11	5,06	7,19%	3,30	5,45	7,19%	3,49	5,74	7,19%	3,68	6,04	7,19%	3,87	6,29	7,19%	
	Off-Peak (kWh)	2,10	2,69	13,50%	2,38	3,06	6,36%	2,53	3,25	7,19%	2,71	3,48	7,19%	2,86	3,74	7,19%	3,01	4,00	7,19%	3,16	4,29	7,19%	3,31	4,54	7,19%	3,46	4,79	7,19%	
	Overall			13,50%			6,36%			7,19%			7,19%			7,19%			7,19%			7,19%			7,19%			7,19%	
Complex Three Phase		2024/2025				% Increase (for 2025/26)				2025/2026				% Increase (for 2026/27)				2026/2027				% Increase (for 2027/28)				2027/2028			
		Summer		Winter				Summer		Winter				Summer		Winter				Summer		Winter				Summer		Winter	
	Three Phase Basic Charge	762,60	762,60	13,50%	865,55	865,55	6,36%	920,60	920,60	7,19%	986,79	986,79	7,19%	1052,98	1052,98	7,19%	1119,17	1119,17	7,19%	1185,36	1185,36	7,19%	1251,55	1251,55	7,19%	1317,74	1317,74	7,19%	
	Peak Energy (kWh)	3,95	5,85	13,50%	4,48	6,64	6,36%	4,76	7,06	7,19%	5,11	7,57	7,19%	5,49	8,23	7,19%	5,87	8,97	7,19%	6,25	9,55	7,19%	6,63	10,03	7,19%	7,01	10,51	7,19%	
	Standard Energy (kWh)	2,20	3,58	13,50%	2,50	4,06	6,36%	2,66	4,32	7,19%	2,85	4,63	7,19%	3,04	5,06	7,19%	3,23	5,37	7,19%	3,42	5,68	7,19%	3,61	6,00	7,19%	3,80	6,31	7,19%	
	Off-Peak (kWh)	2,04	2,62	13,50%	2,32	2,98	6,36%	2,47	3,17	7,19%	2,64	3,40	7,19%	2,81	3,68	7,19%	2,99	3,96	7,19%	3,17	4,24	7,19%	3,35	4,52	7,19%	3,53	4,79	7,19%	
	Overall			13,50%			6,36%			7,19%			7,19%			7,19%			7,19%			7,19%			7,19%			7,19%	
Elecflex 1		2024/2025				% Increase (for 2025/26)				2025/2026				% Increase (for 2026/27)				2026/2027				% Increase (for 2027/28)				2027/2028			
		Summer		Winter				Summer		Winter				Summer		Winter				Summer		Winter				Summer		Winter	
	Basic Charge	5357,16	5357,16	13,50%	6080,38	6080,38	6,36%	6467,09	6467,09	7,19%	6932,08	6932,08	7,19%	7397,07	7397,07	7,19%	7862,06	7862,06	7,19%	8327,05	8327,05	7,19%	8792,04	8792,04	7,19%	9257,03	9257,03	7,19%	
	Access Charge (kVA)	79,91	79,91	13,50%	90,69	90,69	6,36%	96,46	96,46	7,19%	103,40	103,40	7,19%	110,34	110,34	7,19%	117,28	117,28	7,19%	124,22	124,22	7,19%	131,16	131,16	7,19%	138,10	138,10	7,19%	
	Max Demand (kVA)	222,68	222,68	13,50%	252,74	252,74	6,36%	268,82	268,82	7,19%	288,15	288,15	7,19%	307,48	307,48	7,19%	326,81	326,81	7,19%	346,14	346,14	7,19%	365,47	365,47	7,19%	384,80	384,80	7,19%	
	Peak Energy (kWh)	2,50	4,92	13,50%	2,84	5,58	6,36%	3,02	5,93	7,19%	3,23	6,36	7,19%	3,44	6,79	7,19%	3,65	7,19	7,19%	3,86	7,54	7,19%	4,07	7,97	7,19%	4,28	8,39	7,19%	
	Standard Energy (kWh)	1,64	2,52	13,50%	1,86	2,86	6,36%	1,98	3,04	7,19%	2,12	3,26	7,19%	2,26	3,59	7,19%	2,40	3,83	7,19%	2,54	4,17	7,19%	2,68	4,40	7,19%	2,82	4,63	7,19%	
	Off-Peak Energy (kWh)	1,52	2,36	13,50%	1,72	2,68	6,36%	1,83	2,85	7,19%	1,97	3,05	7,19%	2,08	3,28	7,19%	2,20	3,52	7,19%	2,32	3,74	7,19%	2,44	3,96	7,19%	2,56	4,18	7,19%	
	Overall			13,50%			6,36%			7,19%			7,19%			7,19%			7,19%			7,19%			7,19%			7,19%	
Elecflex 2		2024/2025				% Increase (for 2025/26)				2025/2026				% Increase (for 2026/27)				2026/2027				% Increase (for 2027/28)				2027/2028			
		Summer		Winter				Summer		Winter				Summer		Winter				Summer		Winter				Summer		Winter	
	Basic Charge	3549,72	3549,72	13,50%	4028,94	4028,94	6,36%	4285,18	4285,18	7,19%	4593,28	4593,28	7,19%	4901,38	4901,38	7,19%	5209,48	5209,48	7,19%	5517,58	5517,58	7,19%	5825,68	5825,68	7,19%	6133,78	6133,78	7,19%	
	Access Charge (kVA)	88,52	88,52	13,50%	100,47	100,47	6,36%	106,85	106,85	7,19%	114,54	114,54	7,19%	122,22	122,22	7,19%	130,10	130,10	7,19%	138,00	138,00	7,19%	145,88	145,88	7,19%	153,76	153,76	7,19%	
	Max Demand (kVA)	240,21	240,21	13,50%	272,64	272,64	6,36%	289,98	289,98	7,19%	310,83	310,83	7,19%	331,68	331,68	7,19%	352,53	352,53	7,19%	373,38	373,38	7,19%	394,23	394,23	7,19%	415,08	415,08	7,19%	
	Peak Energy (kWh)	2,50	4,91	13,50%	2,84	5,57	6,36%	3,02	5,93	7,19%	3,23	6,35	7,19%	3,44	6,76	7,19%	3,65	7,17	7,19%	3,86	7,58	7,19%	4,07	7,99	7,19%	4,28	8,40	7,19%	
	Standard Energy (kWh)	1,64	2,51	13,50%	1,86	2,85	6,36%	1,98	3,03	7,19%	2,12	3,25	7,19%	2,26	3,58	7,19%	2,40	3,81	7,19%	2,54	4,14	7,19%	2,68	4,37	7,19%	2,82	4,60	7,19%	
	Off-Peak Energy (kWh)	1,45	2,30	13,50%	1,64	2,61	6,36%	1,75	2,78	7,19%	1,87	2,98	7,19%	1,99	3,11	7,19%	2,11	3,33	7,19%	2,23	3,55	7,19%	2,35	3,77	7,19%	2,47	3,99	7,19%	
	Overall			13,50%			6,36%			7,19%			7,19%			7,19%			7,19%			7,19%			7,19%			7,19%	
Elecflex 3		2024/2025				% Increase (for 2023/24)				2025/2026				% Increase (for 2026/27)				2026/2027				% Increase (for 2027/28)				2027/2028			
		Summer		Winter				Summer		Winter				Summer		Winter				Summer		Winter				Summer		Winter	
	Basic Charge	2766,98	2766,98	13,50%	3140,53	3140,53	6,36%	3340,26	3340,26	7,19%	3580,43	3580,43	7,19%	3820,60	3820,60	7,19%	4060,77	4060,77	7,19%	4300,94	4300,94	7,19%	4541,11	4541,11	7,19%	4781,28	4781,28	7,19%	
	Access Charge (kVA)	92,47	92,47	13,50%	104,96	104,96	6,36%	111,63	111,63	7,19%	119,66	119,66	7,19%	127,69	127,69	7,19%	135,72	135,72	7,19%	143,75	143,75	7,19%	151,78	151,78	7,19%	159,81	159,81	7,19%	
	Max Demand (kVA)	259,44	259,44	13,50%	294,46	294,46	6,36%	313,19	313,19	7,19%	335,71	335,71	7,19%	358,23	358,23	7,19%	380,75	380,75	7,19%	403,27	403,27	7,19%	425,79	425,79	7,19%	448,31	448,31	7,19%	
	Peak Energy (kWh)	2,63	4,91	13,50%	2,98	5,58	6,36%	3,17	5,93	7,19%	3,40	6,36	7,19%	3,63	6,76	7,19%	3,86	7,17	7,19%	4,09	7,58	7,19%	4,32	8,04	7,19%	4,55	8,45	7,19%	
	Standard Energy (kWh)	1,72	2,50	13,50%	1,95	2,84	6,36%	2,08	3,02	7,19%	2,23	3,24	7,19%	2,38	3,51	7,19%	2,53	3,74	7,19%	2,68	3,97	7,19%	2,83	4,10	7,19%	2,98	4,33	7,19%	
	Off-Peak Energy (kWh)	1,54	2,34	13,50%	1,75	2,66	6,36%	1,86	2,83	7,19%	1,99	3,03	7,19%	2,11	3,26	7,19%	2,23	3,48	7,19%	2,35	3,70	7,19%	2,47	3,95	7,19%	2,59	4,19	7,19%	
	Overall			13,50%			6,36%			7,19%			7,19%			7,19%			7,19%			7,19%			7,19%			7,19%	

SERVICES COSTS - ELECTRICITY TARIFFS														
Bulk Resell 2														
	2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)		2027/2028	
	Summer	Winter			Summer	Winter			Summer	Winter			Summer	Winter
Basic Charge	4769,05	4769,05	13,50%		5412,87	5412,87	6,36%		5757,13	5757,13	7,19%		6171,07	6171,07
Max Demand (kVA)	34,47	34,47	13,50%		39,12	39,12	6,36%		41,61	41,61	7,19%		44,60	44,60
Peak Energy (kWh)	2,98	4,32	13,50%		3,38	4,91	6,36%		3,60	5,22	7,19%		3,86	5,59
Standard Energy (kWh)	2,39	3,08	13,50%		2,71	3,49	6,36%		2,88	3,71	7,19%		3,09	3,98
Off-Peak Energy (kWh)	1,77	2,59	13,50%		2,00	2,94	6,36%		2,13	3,13	7,19%		2,29	3,36
Overall			13,50%				6,36%				7,19%			
Bulk Resell 3														
	2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)		2027/2028	
	Summer	Winter			Summer	Winter			Summer	Winter			Summer	Winter
Basic Charge	4962,57	4962,57	13,50%		5632,52	5632,52	6,36%		5990,75	5990,75	7,19%		6421,49	6421,49
Max Demand (kVA)	24,61	24,61	13,50%		27,93	27,93	6,36%		29,71	29,71	7,19%		31,85	31,85
Peak Energy (kWh)	3,06	4,34	13,50%		3,47	4,92	6,36%		3,69	5,24	7,19%		3,95	5,61
Standard Energy (kWh)	2,49	3,59	13,50%		2,83	4,08	6,36%		3,01	4,34	7,19%		3,22	4,65
Off-Peak Energy (kWh)	1,79	2,51	13,50%		2,03	2,85	6,36%		2,16	3,03	7,19%		2,31	3,25
Overall			13,50%				6,36%				7,19%			
Sport Stadiums on ToU														
	2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)		2027/2028	
	Summer	Winter			Summer	Winter			Summer	Winter			Summer	Winter
Peak Energy (kWh)	4,87	8,71	13,50%		5,52	9,89	6,36%		5,87	10,52	7,19%		6,30	11,27
Standard Energy (kWh)	3,08	4,72	13,50%		3,49	5,36	6,36%		3,71	5,70	7,19%		3,98	6,11
Off-Peak Energy (kWh)	2,62	4,24	13,50%		2,97	4,81	6,36%		3,16	5,12	7,19%		3,39	5,49
Overall			13,50%				6,36%				7,19%			
Centlec Departmental on ToU														
	2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)		2027/2028	
	Summer	Winter			Summer	Winter			Summer	Winter			Summer	Winter
Peak Energy (kWh)	2,95	5,55	13,50%		3,35	6,30	6,36%		3,56	6,70	7,19%		3,82	7,18
Standard Energy (kWh)	1,89	3,16	13,50%		2,15	3,59	6,36%		2,28	3,81	7,19%		2,45	4,09
Off-Peak Energy (kWh)	1,66	3,01	13,50%		1,89	3,42	6,36%		2,01	3,64	7,19%		2,15	3,90
Overall			13,50%				6,36%				7,19%			
Departmental														
	2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)		2027/2028	
	Summer	Winter			Summer	Winter			Summer	Winter			Summer	Winter
kWh (Centlec)	2,79	2,79	13,50%		3,16	3,16	6,36%		3,36	3,36	7,19%		3,61	3,61
Overall			13,50%				6,36%				7,19%			



PART D

1. SUPPORTING DOCUMENTATION

1.1 OVERVIEW OF ANNUAL BUDGET PROCESS

The MFMA requires the mayor of a municipality to provide general political guidance over the budget process and to give priorities that must guide the preparation of a budget. The National Treasury Budget Regulations gives further effect to this by prescribing that the mayor of a municipality must establish a Budget Steering Committee to assist in discharging the mayor's responsibility set out in Section 53 of the Municipality Financial Management Act. Compilation of the Municipality's annual budget commenced with the presentation of the budget parameters to the Budget Committee, composed of executive political representatives. The committee's terms of reference include the following:

- To provide guidance on budget principles
- To consider budget operational and capital parameters
- To review directorates' budget inputs via budget hearings after tabling of the budget, and
- To review and advice on the outcome of the MTREF

Upon the submission and adoption of the IDP Process plan by the city's Council on 1 September 2024 as required by Regulation 21(1) (b) of the Municipal Finance Management Act which unambiguously requires the Mayor of the municipality to at least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget and the review of the integrated development plan in terms of section 34 of the Municipal Systems Act, the city started to implement the milestones contained in the process plan.

The 2022/2027 Integrated Development Plan and 2025/2026 to 2027/2028 MTREF budget will be tabled for approval at a Council meeting on or before 31 May 2025.

The IDP and Budget time schedule as well as public participation for the 2025/2026 budget cycle in terms of Section 21 (1) (b) of the Municipal Financial Management Act is outlined below.

**Key dates IDP, MTREF Budget, Budget related policies, Sectoral Plans and Performance Management Activity Plan 2024/2025 financial year
Preparation Phase**

Period	Legislation	Integrated Development Planning	Budget Process	Performance Management	Responsibility	Progress to date
July – August 2024	MFMA 21 (1)(b)	Tabling of IDP/Budget Process Plan 2024/2025			Ex. Mayor	01 September 2024
July – August 2024	MFMA 53 (1) (c) (iii) MSA 57			Conclude the Annual Performance Agreements for 2023/2024	Ex. Mayor City Manager HODs	Completed 11 August 2024
August 2024	MFMA Guidance		Submission of the Annual Financial Statement to the Auditor General	Submission of the Annual Performance Report to the Auditor General	CM CFO	31 August 2024 for stand-alone AFS and APR
						29 September 2024 for Consolidated AFS and APR
Oct 2024	MFMA 52 (d)		Submission of 1st quarter section 52 report to Council for approval.	Submission of 1st quarter section 52 report to Council for approval.	CFO City Manager HODs	Completed 01 November 2024

Period	Legislation	Integrated Development Planning	Budget Process	Performance Management	Responsibility	Progress to date
Nov-Dec 2024	MSA 29 (1) (b)	<p>Public participation:</p> <ul style="list-style-type: none"> Provide implementation of the IDP and Sectoral Plans Solicit inputs on community needs by means of Councilors and Ward Committee's reports Solicit inputs from various focus groups Review the Spatial Development Framework and discuss intended spatial commitments District Development Plan/One Plan <p>NB: Various possible methods of communication will be used in meeting this milestone.</p>	Public participation: Budget and Budget Related Policies		<p>Speaker</p> <p>Ward Councilors</p> <p>Ward Committees</p>	Completed
Dec 2024	MFMA Guidance	Sectoral plans are developed	Capital investment reviewed		<p>HOD's</p> <p>Centlec Management</p>	Completed

Period	Legislation	Integrated Development Planning	Budget Process	Performance Management	Responsibility	Progress to date
Jan 2025	MFMA Guidance		Submission of final tariffs proposal and revenue forecast		CFO, HOD – Engineering Centlec Management	
Jan 2025	MFMA 52 (d)		CENTLEC submit draft budget	Submission of 2nd quarter section 52 report to Council for approval	CFO City Manager HODs and Centlec CEO	Completed
Jan 2025	MFMA 72 (1)(b)		Table in council the mid-year budget report	Submission of the SDBIP mid-year performance assessment report section 72 for period July December to Council for approval	CFO City Manager	Completed
Jan 2025	SCM Reg 6 (3) and (4)		EMT/CM reviews the first draft of the MTREF report	Submission of Mid – Year Budget and Performance Assessment Report to National Treasury	City Manager HODs Centlec Management	Completed
Jan 2025	MFMA 127 (2)		Table in Council the Annual Report of the City and CENTLEC and Publish on the Website	Table in Council the Annual Report of the City and CENTLEC and Publish on the Website	Ex. Mayor	Completed
Feb 2025	MFMA 28(4)	Council approve Revised SDBIP	Council approve Adjustment Budget.		Ex. Mayor City Manager	Completed
Feb 2025	MFMA Guidance	IDP and Budget Steering Committee			Ex. Mayor City Manager	Completed

Project Phase

Period	Legislation	Integrated Development Planning	Budget Process	Performance Management	Responsibility	Progress to date
Feb 2025	MFMA Guidance	Incorporate the proposed projects and programs on the Draft IDP	Discuss the monetary terms of the proposed projects and programmes		City Manager CFO HODs Centlec Management	Completed
Feb 2025	MFMA Guidance		Finalisation of Capital investment and development/review process of sectoral plans		HOD's Centlec Management	Completed

Integration Phase

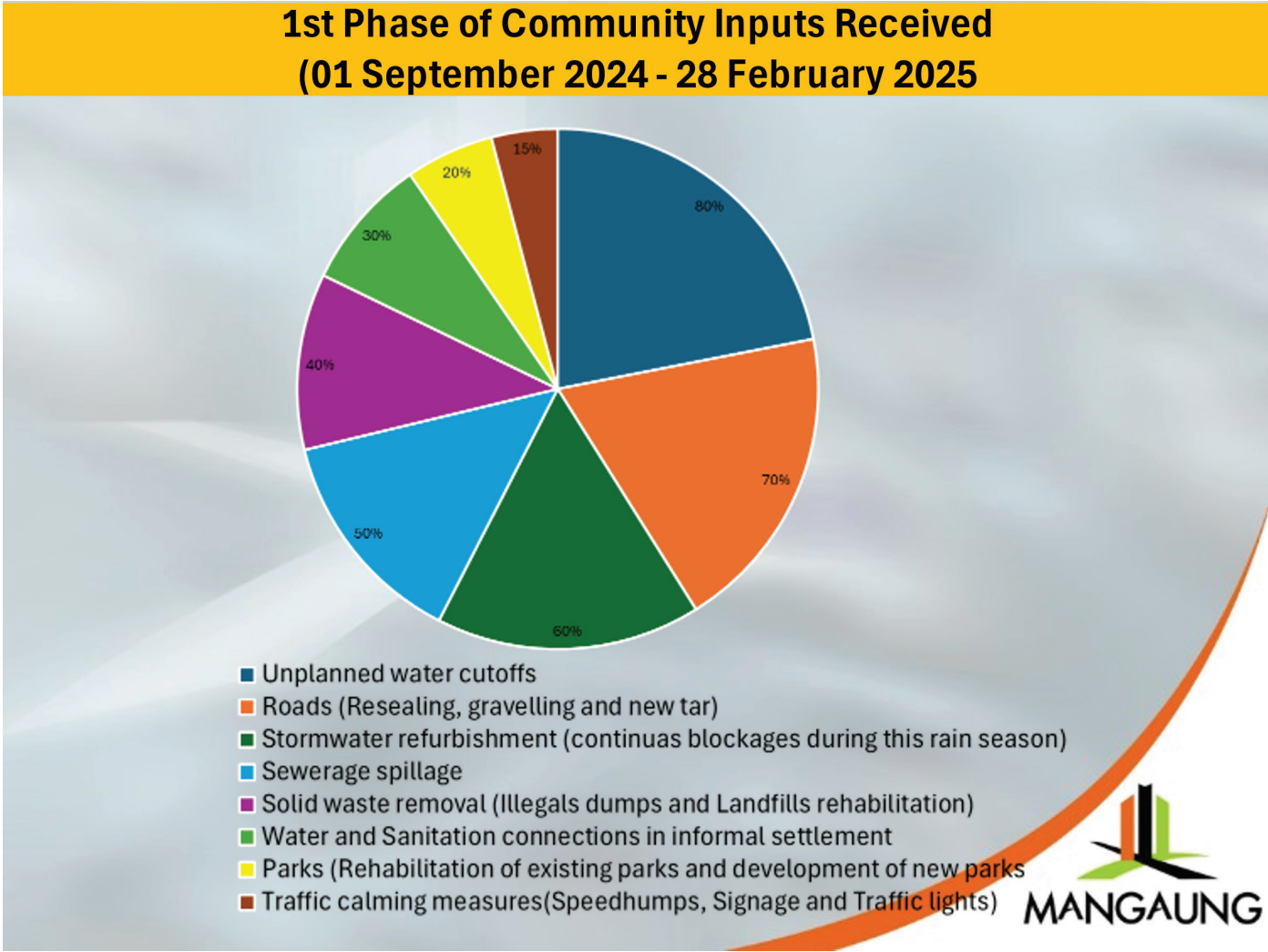
Period	Legislation	Integrated Development Planning	Budget Process	Performance Management	Responsibility	Progress to date
February 2025	MFMA Guidance	Incorporate the National and Provincial Departments proposed projects and programs on the Draft IDP			City Manager CFO HODs Centlec Management	Completed

Approval Phase

Period	Legislation	Integrated Development Planning	Budget Process	Performance Management	Responsibility	Progress to date
March 2025	MFMA 16 (2)	Tabling of the 2024/2025 Draft IDP, Sectoral Plans including proposed revisions	Tabling of 2024/2027 Draft MTRF Budget and budget related policies – MMM and Centlec.	Adopt an oversight report providing comments on the Annual Report	City Manager Council	Noted by council

Period	Legislation	Integrated Development Planning	Budget Process	Performance Management	Responsibility	Progress to date
April 2025	MFMA 52(d)	Make the draft IDP available for public comments NB: Various possible methods of communication will be used in meeting this milestone	Make the draft Budget available for public comments	Submission of 3 rd quarter section 52 report to Council for approval	CFO City Manager HODs Centlec Management	Completed
April 2025	MFMA 22(a)(ii)	Review comments and make adjustments to the draft IDP	Review comments and make adjustments to the draft Budget and related policies		Speaker City Manager HODs Centlec Management	Completed
April 2025	MFMA Guidance	IDP and Budget Steering Committee	IDP and Budget Steering Committee		Ex. Mayor City Manager	Completed
May 2025	MFMA 24(1)	Approve the 2024/2025 IDP and related sectoral plans	Approve the 2025/2028 Budget and related budget policies		Council	Expected to be done during this council meeting
June 2025	MFMA 53 (1) (c) (ii)			Approval of SDBIP 2025/2026	Ex. Mayor	Not yet due

FEEDBACK ON SUBMISSIONS MADE BY COMMUNITIES AND STAKEHOLDERS



OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

1.1 IDP Strategic Objective (Revenue)

The table below outlines the linkage between the IDP strategic objectives and operating revenue budget for the MTREF period. That is, it outlines how the projected revenue budget is going to be used in meeting the main goals of poverty reduction, job creation, rural and economic development, financial sustainability, spatial development and the built environment, eradication of bucket system, VIP toilets, roads, ageing infrastructure, human settlements, public transport, environmental management and climate change, social and community services and good governance, anchoring the IDP. SA4

MAN Mangaung - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

MAN Mangauing - Supporting Table SA4 Reconciliation of IDP Strategic objectives and budget (revenue)													
Strategic Objective	Goal	Goal Code	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	
R thousand													
ORGANIZATIONAL STRENGTH				3 741 850	3 828 754	4 475 482	5 160 306	5 542 531	5 542 531	5 542 267	5 824 798	6 142 443	
FINANCIAL HEALTH IMPROVEMENT				1 653 176	1 842 263	1 932 595	2 062 575	2 062 575	2 062 575	1 988 126	2 079 725	2 139 283	
SERVICE DELIVERY IMPROVEMENT				589 683	709 713	749 531	847 732	847 732	847 732	1 098 695	1 152 175	1 189 327	
ECONOMIC GROWTH				1 929 819	2 239 291	2 570 243	2 709 512	2 709 512	2 709 512	3 131 499	3 310 935	3 524 063	
SPATIAL TRANSFORMATION				-	-	-	-	-	-	-	-	-	
Allocations to other priorities													
Total Revenue (excluding capital transfers and contributions)				1	7 914 527	8 620 022	9 727 850	10 780 125	11 162 350	11 162 350	11 760 587	12 367 632	12 995 117

1.2 IDP Strategic Objective (Operating Expenditure)

The table below outlines the linkage between the IDP strategic objectives and operating expenditure budget for the MTREF period. That is, it outlines how the allocated expenditure budget is going to be used in meeting the main goals of poverty reduction, job creation, rural and economic development, financial sustainability, spatial development and the built environment, eradication of bucket system, VIP toilets, roads, ageing infrastructure, human settlements, public transport, environmental management and climate change, social and community services and good governance, anchoring the IDP.SA5

MAN Mangaung - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

MAN Manguang - Supporting Table SAS Reconciliation of IDP Strategic Objectives and Budget (Operating expenditure)													
Strategic Objective	Goal	Goal Code	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	
R thousand													
ORGANIZATIONAL STRENGTH				4 754 587	4 889 766	5 816 761	5 371 859	5 611 198	5 611 198	5 774 134	6 089 185	6 433 847	
FINANCIAL HEALTH IMPROVEMENT				272 516	269 650	564 769	306 569	737 141	737 141	781 985	803 253	842 674	
SERVICE DELIVERY IMPROVEMENT				1 021 407	1 187 913	1 143 924	926 469	1 238 876	1 238 876	1 311 869	1 341 660	1 401 278	
ECONOMIC GROWTH				3 508 323	3 019 796	3 243 293	3 128 973	2 987 531	2 987 531	3 380 918	3 413 919	3 477 133	
SPATIAL TRANSFORMATION				25 064	21 928	18 847	20 783	19 309	19 309	25 980	27 291	28 272	
Allocations to other priorities													
Total Expenditure				1	9 581 898	9 389 054	10 787 595	9 754 653	10 594 054	10 594 054	11 274 887	11 675 308	12 183 205

1.3 IDP Strategic Objective (Capital Expenditure)

The table below outlines the linkage between the IDP strategic objectives and capital expenditure budget for the MTREF period. That is, it outlines how the allocated expenditure budget is going to be used in meeting the main goals of poverty reduction, job creation, rural and economic development, financial sustainability, spatial development and the built environment, eradication of bucket system, VIP toilets, roads, ageing infrastructure, human settlements, public transport, environmental management and climate change, social and community services and good governance, anchoring the IDP. SA6

MAN Mangaung - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Supporting Table 2: Recommended Strategic Objectives and Budget (Capital Expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand												
ORGANIZATIONAL STRENGTH				446 760	382 961	356 108	853 798	671 808	671 808	587 249	471 316	465 350
FINANCIAL HEALTH IMPROVEMENT				69	–	1 295	–	–	–	–	–	–
SERVICE DELIVERY IMPROVEMENT				285 814	184 544	93 858	251 196	249 976	249 976	507 715	556 032	554 524
ECONOMIC GROWTH				120 116	125 020	123 711	228 087	211 734	211 734	241 524	281 968	304 421
SPATIAL TRANSFORMATION				848	2 684	–	6 800	7 312	7 312	7 500	9 250	3 750
Allocations to other priorities			3									
Total Capital Expenditure			1	853 607	695 210	574 971	1 339 880	1 140 830	1 140 830	1 343 987	1 318 567	1 328 045

MAN Mangaung - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
05 - Community And Social Development										
Waste Management										
Solid Waste Disposal (Landfill Sites)										
Formal Settlement Households - Refuse Removal	Households							72 250	73 245	73 977
Removal	Households		69 020		71 098	71 098	71 098	38 666	39 439	40 228
Informal Settlements (R000)	Rand Value		123027 560		135512 788	135512 788	135512 788	144304 261	153812 663	160811 140
- Refuse Removal	Households		69 704		37 908	37 908	37 908			
08 - Roads And Transport										
Waste Water Management										
Sewerage										
Sanitation	Households							72 520	73 245	73 977
Sanitation	Households							38 666	39 439	40 228
Informal Settlements (R000)	Rand Value		63960 965		68158 584	68158 584	68158 584	72580 413	77362 834	80882 843
- Receiving Sanitation	Households		37 165		37 908	37 908	37 908			
(R000)	Rand Value		37 165		37 908	37 908	37 908			
09 - Water And Sanitation										
Water Management										
Water Distribution										
Water	Households		37 165		71 098	71 098	71 098	72 520	73 245	73 977
Water	Households							38 666	39 439	40 228
Informal Settlements (R000)	Rand Value		193546 400		215183 185	215183 185	215183 185	243629 394	275834 962	312300 344
(R000)	Rand Value		69 704		37 908	37 908	37 908			
12 - Centlec										
Energy Sources										
Electricity										
Electricity	Households							72 520	73 245	73 977
Electricity	Households				33609 423	33609 423	33609 423	38 666	39 439	40 228
Informal Settlements (R000)	Rand Value		29954 922		33609 423	33609 423	33609 423	38635 216	41913 924	45826 086
- Receiving Electricity	Households		37 165		37 908	37 908	37 908			

MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

3.1 Key Financial Ratios/Indicators

The benchmark ratios as reflected in the table below are based on the actual results of the last three (3) financial years and the outlook for the MTREF period.

Supporting Table A8

MAN Mangaung - Supporting Table SA8 Performance indicators and benchmarks

IDP Managing Supporting Table 5: Performance Indicators and Benchmarks											
Description of financial indicator	Basis of calculation	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1,9%	4,1%	2,7%	1,9%	1,7%	1,7%	1,8%	1,1%	0,5%	0,0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	2,4%	4,6%	3,1%	1,7%	1,7%	1,7%	2,0%	1,0%	0,5%	0,0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0,0%	0,0%	-16,7%	31,0%	26,8%	26,8%	0,0%	0,0%	0,0%	0,0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0,0%	0,0%	0,0%	10,8%	10,8%	10,8%	5,5%	8,0%	4,6%	3,8%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	0,8	0,8	0,8	2,2	2,2	2,2	0,9	1,3	1,6	1,8
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0,8	0,8	0,8	2,2	2,2	2,2	0,9	1,3	1,6	1,8
Liquidity Ratio	Monetary Assets/Current Liabilities	0,3	0,2	0,1	1,3	1,3	1,3	0,1	0,9	1,3	1,5
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0,0%	140,7%	92,0%	92,2%	102,5%	100,4%	100,4%	90,6%	102,5%	111,9%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		140,7%	92,0%	92,2%	102,5%	100,4%	100,4%	90,6%	102,5%	111,9%	116,0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	82,8%	83,2%	79,8%	35,5%	34,2%	34,2%	88,9%	24,7%	22,9%	20,5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))										
Creditors to Cash and Investments		122,3%	98,9%	57,7%	151,1%	151,1%	151,1%	44,8%	293,2%	135,3%	85,7%
<u>Other Indicators</u>											
	Total Volume Losses (kW) technical										
	Total Volume Losses (kW) non technical										
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Volumes :System input	Bulk Purchase	–	6908100,0%	0,0%	6977100,0%	6977100,0%	6977100,0%	0,0%	7046900,0%	7117400,0%	0,0%
	Water treatment works	–	1235900,0%	0,0%	1248200,0%	1248200,0%	1248200,0%	0,0%	1260700,0%	1273300,0%	0,0%
	Natural sources										
	Total Volume Losses (kℓ)										
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)	–	40	–	41	41	41	–	43	44	–
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	480715108	0	497059422	497059422	497059422	0	513959442	531434063	0
		–	4960,0%	0,0%	4960,0%	4960,0%	4960,0%	0,0%	4960,0%	4860,0%	0,0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	29,1%	26,5%	26,0%	23,6%	22,6%	22,6%	25,0%	22,8%	22,3%	22,0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	30,0%	27,3%	26,8%	24,3%	23,3%	23,3%	31,1%	23,5%	23,0%	22,7%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	8,1%	6,8%	6,3%	5,1%	5,4%	5,4%	7,2%	5,4%	5,1%	5,1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	13,3%	12,7%	10,5%	4,2%	6,4%	6,4%	8,0%	6,6%	7,0%	6,9%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	28,1	36,7	12,7	14,3	14,9	44,1	9,6	13,7	18,1	19,0
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	106,0%	111,8%	112,5%	33,5%	32,8%	32,8%	128,0%	18,5%	16,3%	12,8%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	5,6	6,2	10,0	1,9	2,2	1,8	10,7	1,3	–	–

3.2 Social, economic and demographic statistics and assumptions – see table SA9 below

MAN Mangaung - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2021/22	2022/23	2023/24	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population			1	1	1	--	--	--	--	--	--	--
Females aged 5 - 14			0	--	0	--	--	--	--	--	--	--
Males aged 5 - 14			0	--	0	--	--	--	--	--	--	--
Females aged 15 - 34			0	--	0	--	--	--	--	--	--	--
Males aged 15 - 34			0	--	0	--	--	--	--	--	--	--
Unemployment			0	--	0	--	--	--	--	--	--	--
Monthly household income (no. of households)	1, 12											
No income						--	--	--	--	--	--	--
R1 - R1 600			223 605	264 092	279 632	--	--	--	--	--	--	--
R1 601 - R3 200			147 821	144 442	247 440	--	--	--	--	--	--	--
R3 201 - R6 400			32 255	42 097	52 891	--	--	--	--	--	--	--
R6 401 - R12 800			25 282	35 271	36 713	--	--	--	--	--	--	--
R12 801 - R25 600			12 388	26 207	33 761	--	--	--	--	--	--	--
R25 601 - R51 200			3 515	10 564	23 178	--	--	--	--	--	--	--
R52 201 - R102 400			1 025	3 911	7 644	--	--	--	--	--	--	--
R102 401 - R204 800			687	823	1 916	--	--	--	--	--	--	--
R204 801 - R409 600			500	399	965	--	--	--	--	--	--	--
R409 601 - R819 200			132	378	754	--	--	--	--	--	--	--
> R819 200						--	--	--	--	--	--	--
Poverty profiles (no. of households)												
< R2 060 per household per month	13											
Insert description	2											
Household/demographics (000)												
Number of people in municipal area			645 438	752 907	747 424	--	--	--	--	--	--	--
Number of poor people in municipal area						--	--	--	--	--	--	--
Number of households in municipal area			-	-	231 921	--	--	--	--	--	--	--
Number of poor households in municipal area						--	--	--	--	--	--	--
Definition of poor household (R per month)						--	--	--	--	--	--	--
Housing statistics												
Formal	3		-	-	195 741	--	--	--	--	--	--	--
Informal			-	-	36 180	--	--	--	--	--	--	--
Total number of households			-	-	231 921	--	--	--	--	--	--	--
Dwellings provided by municipality	4											
Dwellings provided by province/s												
Dwellings provided by private sector	5											
Total new housing dwellings			-	-	-	--	--	--	--	--	--	--
Economic												
Inflation/inflation outlook (CPIX)	6											
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
Collection rates	7											
Property tax/service charges												
Rental of facilities & equipment												
Interest - external investments												
Interest - debtors												
Revenue from agency services												

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Household service targets (000)											
Water:											
Piped water inside dwelling			--	--	--	--	--	--	--	--	--
Piped water inside yard (but not in dwelling)	8		--	--	--	--	--	--	--	--	--
Using public tap (at least min.service level)	10		--	--	--	--	--	--	--	--	--
Other water supply (at least min.service level)			--	--	--	--	--	--	--	--	--
<i>Minimum Service Level and Above sub-total</i>			--	--	--	--	--	--	--	--	--
Using public tap (< min.service level)	9		--	--	--	--	--	--	--	--	--
Other water supply (< min.service level)	10		--	--	--	--	--	--	--	--	--
No water supply			--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>			--	--	--	--	--	--	--	--	--
Total number of households			--	--	--	--	--	--	--	--	--
Sanitation/sewerage:											
Flush toilet (connected to sewerage)			--	--	--	--	--	--	--	--	--
Flush toilet (with septic tank)			--	--	--	--	--	--	--	--	--
Chemical toilet			--	--	--	--	--	--	--	--	--
Pit toilet (ventilated)			--	--	--	--	--	--	--	--	--
Other toilet provisions (> min.service level)			--	--	--	--	--	--	--	--	--
<i>Minimum Service Level and Above sub-total</i>			--	--	--	--	--	--	--	--	--
Bucket toilet			--	--	--	--	--	--	--	--	--
Other toilet provisions (< min.service level)			--	--	--	--	--	--	--	--	--
No toilet provisions			--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>			--	--	--	--	--	--	--	--	--
Total number of households			--	--	--	--	--	--	--	--	--
Energy:											
Electricity (at least min.service level)			--	--	--	--	--	--	--	--	--
Electricity - prepaid (min.service level)			--	--	--	--	--	--	--	--	--
<i>Minimum Service Level and Above sub-total</i>			--	--	--	--	--	--	--	--	--
Electricity (< min.service level)			--	--	--	--	--	--	--	--	--
Electricity - prepaid (< min. service level)			--	--	--	--	--	--	--	--	--
Other energy sources			--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>			--	--	--	--	--	--	--	--	--
Total number of households			--	--	--	--	--	--	--	--	--
Refuse:											
Removed at least once a week			--	--	--	--	--	--	--	--	--
<i>Minimum Service Level and Above sub-total</i>			--	--	--	--	--	--	--	--	--
Removed less frequently than once a week			--	--	--	--	--	--	--	--	--
Using communal refuse dump			--	--	--	--	--	--	--	--	--
Using own refuse dump			--	--	--	--	--	--	--	--	--
Other rubbish disposal			--	--	--	--	--	--	--	--	--
No rubbish disposal			--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>			--	--	--	--	--	--	--	--	--
Total number of households			--	--	--	--	--	--	--	--	--

Municipal in-house services	Ref.		2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
		Household service targets (000)									
		<u>Water:</u>									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
8		Using public tap (at least min.service level)									
10		Other water supply (at least min.service level)									
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
9		Using public tap (< min.service level)									
10		Other water supply (< min.service level)									
		No water supply									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
		<u>Sanitation/sewerage:</u>									
		Flush toilet (connected to sewerage)									
		Flush toilet (with septic tank)									
		Chemical toilet									
		Pit toilet (ventilated)									
		Other toilet provisions (> min.service level)									
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Bucket toilet									
		Other toilet provisions (< min.service level)									
		No toilet provisions									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
		<u>Energy:</u>									
		Electricity (at least min.service level)									
		Electricity - prepaid (min.service level)									
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Electricity (< min.service level)									
		Electricity - prepaid (< min. service level)									
		Other energy sources									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
		<u>Refuse:</u>									
		Removed at least once a week									
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week									
		Using communal refuse dump									
		Using own refuse dump									
		Other rubbish disposal									
		No rubbish disposal									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-

Municipal entity services	Ref.		2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
		Household service targets (000)									
		<u>Water:</u>									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
8		Using public tap (at least min.service level)									
10		Other water supply (at least min.service level)									
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
9		Using public tap (< min.service level)									
10		Other water supply (< min.service level)									
		No water supply									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
		<u>Sanitation/sewerage:</u>									
		Flush toilet (connected to sewerage)									
		Flush toilet (with septic tank)									
		Chemical toilet									
		Pit toilet (ventilated)									
		Other toilet provisions (> min.service level)									
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Bucket toilet									
		Other toilet provisions (< min.service level)									
		No toilet provisions									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
		<u>Energy:</u>									
		Electricity (at least min.service level)									
		Electricity - prepaid (min.service level)									
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Electricity (< min.service level)									
		Electricity - prepaid (< min. service level)									
		Other energy sources									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
		<u>Refuse:</u>									
		Removed at least once a week									
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week									
		Using communal refuse dump									
		Using own refuse dump									
		Other rubbish disposal									
		No rubbish disposal									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-

Detail of Free Basic Services (FBS) provided		2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Electricity	Ref	Location of households for each type of FBS								
List type of FBS service		Formal settlements - (50 kwh per indigent household per month Rands)								
		21 967 110	26 063 116	26 521 021	(69 078 938)	(69 078 938)	(69 078 938)	59 261 358	63 030 381	67 562 265
		–	–	–	–	–	–	72 520	73 245	73 977
		Informal settlements (Rands)								
		–	29 954 922	–	33 609 423	33 609 423	33 609 423	38 635 216	41 913 924	45 826 086
		–	–	–	33 609 423	33 609 423	33 609 423	38 666	39 439	40 228
		Informal settlements targeted for upgrading (Rands)								
		–	37 165	–	37 908	37 908	37 908	–	–	–
		Living in informal backyard rental agreement (Rands)								
		–	–	–	–	–	–	–	–	–
Total cost of FBS - Electricity for informal settlements		–	29 954 922	–	33 609 423	33 609 423	33 609 423	38 635 216	41 913 924	45 826 086
Water	Ref	Location of households for each type of FBS								
List type of FBS service		Formal settlements - (6 kilolitre per indigent household per month Rands)								
		118 595 411	121 695 480	136 373 471	205 426 381	205 426 381	205 426 381	162 372 597	175 250 973	192 933 796
		–	37 165	–	71 098	71 098	71 098	72 520	73 245	73 977
		Informal settlements (Rands)								
		–	193 546 400	–	215 183 185	215 183 185	215 183 185	243 629 394	275 834 962	312 300 344
		–	–	–	–	–	–	38 666	39 439	40 228
		Informal settlements targeted for upgrading (Rands)								
		–	69 704	–	37 908	37 908	37 908	–	–	–
		Living in informal backyard rental agreement (Rands)								
		–	–	–	–	–	–	–	–	–
Total cost of FBS - Water for informal settlements		–	193 616 104	–	215 221 093	215 221 093	215 221 093	243 629 394	275 834 962	312 300 344
Sanitation	Ref	Location of households for each type of FBS								
List type of FBS service		Formal settlements - (free sanitation service to indigent households)								
		162 331 968	157 279 125	173 201 612	181 025 522	181 025 522	181 025 522	190 880 551	201 464 878	208 566 515
		–	–	–	–	–	–	72 520	73 245	73 977
		Informal settlements (Rands)								
		–	63 960 965	–	68 158 584	68 158 584	68 158 584	72 580 413	77 362 634	80 882 843
		–	–	–	–	–	–	38 666	39 439	40 228
		Informal settlements targeted for upgrading (Rands)								
		–	37 165	–	37 908	37 908	37 908	–	–	–
		Living in informal backyard rental agreement (Rands)								
		–	37 165	–	37 908	37 908	37 908	–	–	–
Total cost of FBS - Sanitation for informal settlements		–	63 998 130	–	68 196 492	68 196 492	68 196 492	72 580 413	77 362 834	80 882 843
Refuse Removal	Ref	Location of households for each type of FBS								
List type of FBS service		Formal settlements - (removed once a week to indigent households)								
		98 974 833	95 843 043	106 856 593	111 826 316	111 826 316	111 826 316	122 407 301	129 194 786	133 748 902
		–	–	–	–	–	–	72 250	73 245	73 977
		Informal settlements (Rands)								
		–	123 027 560	–	135 512 788	135 512 788	135 512 788	144 304 261	153 812 663	160 811 140
		–	69 020	–	71 098	71 098	71 098	38 666	39 439	40 228
		Informal settlements targeted for upgrading (Rands)								
		–	69 704	–	37 908	37 908	37 908	–	–	–
		Living in informal backyard rental agreement (Rands)								
		–	–	–	–	–	–	–	–	–
Total cost of FBS - Refuse Removal for informal settlements		–	123 027 560	–	135 512 788	135 512 788	135 512 788	144 304 261	153 812 663	160 811 140

1.4 Supporting Table SA11 - Property Rates Summary

The table below provides a summary of the municipal evaluation roll that was used as a basis for property rates revenue estimates. In projecting the estimated revenue, the following factors were taken into account:

MAN Mangaung - Supporting Table SA11 Property rates summary

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Valuation:	1									
Date of valuation:		2000/01/01	2022/07/01	2022/07/01	2000/01/01					
Financial year valuation used										
Municipal by-laws s6 in place? (Y/N)	2									
Municipal/assistant valuer appointed? (Y/N)										
Municipal partnership s38 used? (Y/N)										
No. of assistant valuers (FTE)	3									
No. of data collectors (FTE)	3									
No. of internal valuers (FTE)	3									
No. of external valuers (FTE)	3									
No. of additional valuers (FTE)	4									
Valuation appeal board established? (Y/N)										
Implementation time of new valuation roll (mths)										
No. of properties	5	–	231 358	–	260 222	260 222	260 222	260 222	278 616	294 043
No. of sectional title values	5	–	28 022	–	33 810	33 810	33 810	33 810	35 940	38 204
No. of unreasonably difficult properties s7(2)										
No. of supplementary valuations		–	1 850	–	3 905	3 905	3 905	3 905	4 151	4 412
No. of valuation roll amendments		–	1 850	–	3 905	3 905	3 905	3 905	4 151	4 412
No. of objections by rate payers		–	240	–	15	15	15	15	15	15
No. of appeals by rate payers		–	24	–	3	3	3	3	3	3
No. of successful objections	8	–	240	–	15	15	15	15	15	15
No. of successful objections > 10%	8									
Supplementary valuation		–	4	–	4	4	4	4	4	–
Public service infrastructure value (Rm)	5	–	0	–	0	0	0	0	0	–
Municipality owned property value (Rm)		–	0	–	0	0	0	0	0	–

MAN Mangaung - Supporting Table SA11 Property rates summary

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)		–	0	–	0	0	0	0	0	–
Valuation reductions-nature reserves/park (Rm)										
Valuation reductions-mineral rights (Rm)										
Valuation reductions-R15,000 threshold (Rm)		–	0	–	0	0	0	0	0	–
Valuation reductions-public worship (Rm)		–	0	–	0	0	0	0	0	–
Valuation reductions-other (Rm)		–	0	–	0	0	0	0	0	–
Total valuation reductions:		–	0	–	0	0	0	0	0	–
Total value used for rating (Rm)	5	–	0	–	0	0	0	0	0	–
Total land value (Rm)	5									
Total value of improvements (Rm)	5									
Total market value (Rm)	5	–	0	–	0	0	0	0	0	–
Rating:										
Residential rate used to determine rate for other categories? (Y/N)	5									
Differential rates used? (Y/N)										
Limit on annual rate increase (s20)? (Y/N)										
Special rating area used? (Y/N)										
Phasing-in properties s21 (number)										
Rates policy accompanying budget? (Y/N)										
Fixed amount minimum value (R'000)										
Non-residential prescribed ratio s19? (%)										
Rate revenue:										
Rate revenue budget (R'000)	6	–	1 438	–	1 820	1 820	1 820	1 918	2 028	–
Rate revenue expected to collect (R'000)	6	–	1 366	–	1 219	1 219	1 219	1 285	1 358	–
Expected cash collection rate (%)		0,0%	95,0%	0,0%	95,0%	95,0%	95,0%	95,0%	95,0%	0,0%
Special rating areas (R'000)	7									
Rebates, exemptions - indigent (R'000)		–	29	–	36	36	36	38	40	–
Rebates, exemptions - pensioners (R'000)		–	5	–	11	11	11	11	12	–
Rebates, exemptions - bona fide farm. (R'000)		–	31	–	62	62	62	66	69	–
Rebates, exemptions - other (R'000)		–	63	–	1	1	1	1	1	–
Phase-in reductions/discounts (R'000)										
Total rebates,exemptns,eductns,discs (R'000)		–	127	–	110	110	110	116	122	–

1. The proposed tariff increase for the MTREF period.
2. The statutory exemption of R 15,000.00 for each residential property in terms of the Property Rates Act.
3. Additional rebate on the first R 85 000.00 of the rateable property market value for all residential properties, following application of the statutory exemptions
4. Rebates from rates to all qualifying senior citizens and disabled persons on the first R 300 000.00 of the rateable value of their properties.

1.4 Supporting Table SA12 - Property Rates by Category

Tables SA12a and SA12b provide details of the number of the properties per rateable category as existing in the valuation roll.

MAN Mangaung - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)
Current Year 2024/25												
Valuation:												
No. of properties		3 622	–	996	132 085	3 082	49 922	2 983	152	–	–	–
No. of sectional title property values		837	–	–	24 335	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)		–	–	–	–	–	–	–	–	–	–	–
No. of supplementary valuations		–	–	–	2 317	–	–	–	–	–	–	–
Supplementary valuation (Rm)		–	–	–	1 839	–	–	–	–	–	–	–
No. of valuation roll amendments		–	–	–	2 317	–	–	–	–	–	–	–
No. of objections by rate-payers		–	–	–	1 424	–	–	–	–	–	–	–
No. of appeals by rate-payers		–	–	–	–	–	–	–	–	158	–	–
No. of appeals by rate-payers finalised		–	–	–	–	–	–	–	–	–	–	–
No. of successful objections	5	–	–	–	1 424	–	–	–	–	–	–	–
No. of successful objections > 10%	5	–	–	–	142	–	–	–	–	–	–	–
Estimated no. of properties not valued												
Years since last valuation (select)												
Frequency of valuation (select)												
Method of valuation used (select)												
Base of valuation (select)												
Phasing-in properties s21 (number)												
Combination of rating types used? (Y/N)												
Flat rate used? (Y/N)												
Is balance rated by uniform rate/variable rate?												
Valuation reductions:												
Valuation reductions-public infrastructure (Rm)												
Valuation reductions-nature reserves/park (Rm)												
Valuation reductions-mineral rights (Rm)												
Valuation reductions-R15,000 threshold (Rm)												
Valuation reductions-public worship (Rm)												
Valuation reductions-other (Rm)	2											
Total valuation reductions:												
Total value used for rating (Rm)	6											
Total land value (Rm)	6											
Total value of improvements (Rm)	6											
Total market value (Rm)	6											
Rating:												
Average rate	3											
Rate revenue budget (R '000)												
Rate revenue expected to collect (R'000)	4											
Expected cash collection rate (%)												
Special rating areas (R'000)												
Rebates, exemptions - indigent (R'000)												
Rebates, exemptions - pensioners (R'000)												
Rebates, exemptions - bona fide farm. (R'000)												
Rebates, exemptions - other (R'000)												
Phase-in reductions/discounts (R'000)												
Total rebates,exemptns,eductns,discs (R'000)												

MAN Mangaung - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Bitou only)	Sectional Title Garages (Drakenstein only)
Budget Year 2025/26												
Valuation:												
No. of properties		3 622	–	996	132 085	–	49 922	–	152	–	–	–
No. of sectional title property values		837	–	–	24 335	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)		–	–	–	–	–	–	–	–	–	–	–
No. of supplementary valuations		–	–	–	2 317	–	–	–	–	–	–	–
Supplementary valuation (Rm)		–	–	–	1 839	–	–	–	–	–	–	–
No. of valuation roll amendments		–	–	–	2 317	–	–	–	–	–	–	–
No. of objections by rate-payers		–	–	–	1 424	–	–	–	–	–	–	–
No. of appeals by rate-payers		–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers finalised		–	–	–	–	–	–	–	–	–	–	–
No. of successful objections	5	–	–	–	1 424	–	–	–	–	–	–	–
No. of successful objections > 10%	5	–	–	–	142	–	–	–	–	–	–	–
Estimated no. of properties not valued												
Years since last valuation (select)												
Frequency of valuation (select)												
Method of valuation used (select)												
Base of valuation (select)												
Phasing-in properties s21 (number)												
Combination of rating types used? (Y/N)												
Flat rate used? (Y/N)												
Is balance rated by uniform rate/variable rate?												
Valuation reductions:												
Valuation reductions-public infrastructure (Rm)												
Valuation reductions-nature reserves/park (Rm)												
Valuation reductions-mineral rights (Rm)												
Valuation reductions-R15,000 threshold (Rm)												
Valuation reductions-public worship (Rm)												
Valuation reductions-other (Rm)	2											
Total valuation reductions:												
Total value used for rating (Rm)	6											
Total land value (Rm)	6											
Total value of improvements (Rm)	6											
Total market value (Rm)	6											
Rating:												
Average rate	3											
Rate revenue budget (R '000)												
Rate revenue expected to collect (R'000)	4											
Expected cash collection rate (%)												
Special rating areas (R'000)												
Rebates, exemptions - indigent (R'000)												
Rebates, exemptions - pensioners (R'000)												
Rebates, exemptions - bona fide farm. (R'000)												
Rebates, exemptions - other (R'000)												
Phase-in reductions/discounts (R'000)												
Total rebates,exemptns,eductns,discs (R'000)												

1.5 Supporting Table SA13 - Service Tariffs by Category

The supporting table below provides the reader with details of service charges tariffs to be levied over the MTREF period exemptions reductions and rebates.

MAN Mangaung - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2021/22	2022/23	2023/24	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
							Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Property rates (rate in the Rand)	1								
Residential properties									
Residential properties - vacant land		Cent per Rand on rateable	-	-	-	1,0602	1,1068	1,1566	1,1855
Formal/informal settlements		Cent per Rand on rateable	-	-	-	1,0602	1,1068	1,1566	1,1855
Small holdings		Cent per Rand on rateable	-	0,9474	-	1,0602	1,1068	1,1566	1,1855
Farm properties - used		Cent per Rand on rateable	-	-	-	0,2651	0,2767	0,2892	0,2964
Farm properties - not used		Cent per Rand on rateable	-	-	-	0,2651	0,2767	0,2892	0,2964
Industrial properties		Cent per Rand on rateable	-	-	-	3,6056	3,7642	3,9336	4,0319
Business and commercial properties		Cent per Rand on rateable	-	-	-	3,6056	3,7642	3,9336	4,0319
Communal land - residential		Cent per Rand on rateable	-	-	-	1,0602	1,1068	1,1566	1,1855
Communal land - small holdings		Cent per Rand on rateable	-	-	-	1,0602	1,1068	1,1566	1,1855
Communal land - farm property		Cent per Rand on rateable	-	-	-	1,0602	1,1068	1,1566	1,1855
Communal land - business and commercial		Cent per Rand on rateable	-	-	-	3,6056	3,7642	3,9336	4,0319
Communal land - other		Cent per Rand on rateable	-	-	-	-	-	-	-
State-owned properties		Cent per Rand on rateable	-	-	-	3,6056	3,7642	3,9336	4,0319
Municipal properties		Cent per Rand on rateable	-	-	-	-	-	-	-
Public service infrastructure		Cent per Rand on rateable	-	-	-	0,2651	0,2767	0,2892	0,2964
Privately owned towns serviced by the owner		Cent per Rand on rateable	-	-	-	1,0602	1,1068	1,1566	1,1855
State trust land		Cent per Rand on rateable	-	-	-	3,6056	3,7642	3,9336	4,0319
Restitution and redistribution properties									
Protected areas		Cent per Rand on rateable	-	-	-	3,6056	3,7642	3,9336	4,0319
National monuments properties		Cent per Rand on rateable	-	-	-	3,6056	3,7642	3,9336	4,0319
Property rates by usage									
Business and commercial properties									
Industrial properties									
Mining properties									
Residential properties		Cent per Rand on rateable	-	-	-	1	1	1	-
Agricultural properties									
Public benefit organisations									
Public service purpose properties									
Public service infrastructure properties									
Vacant land									
Sport Clubs and Fields (Bitou only)									
Sectional Title Garages (Drakenstein only)									
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate									
Rebate for first R100 000			-	-	-	100 000	100 000	100 000	100 000
Full Rebate			-	-	-	-	-	-	-
Indigent rebate or exemption									
Pensioners/social grants rebate or exemption			-	-	-	300 000	300 000	300 000	300 000
Temporary relief rebate or exemption									
Bona fide farmers rebate or exemption									
Other rebates or exemptions	2								
Water tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			-	-	-	42	53	59	65
Service point - vacant land (Rands/month)		Cent per Rand on rateable	-	-	-	76	84	93	104
Water usage - flat rate tariff (c/kl)									
Water usage - life line tariff		7 - 15kl	-	-	-	30	33	37	41
Water usage - Block 1 (c/kl)		16 - 30kl	-	-	-	34	39	43	48
Water usage - Block 2 (c/kl)		31 - 60kl	-	-	-	43	48	53	59
Water usage - Block 3 (c/kl)		Above 60kl	-	-	-	53	59	66	73
Water usage - Block 4 (c/kl)		0 - 6kl	-	-	-	12	13	15	16
Water usage - Block 5 (c/kl)		(fill in thresholds)							
Water usage - Block 6 (c/kl)		(fill in thresholds)							
Other	2								
Waste water tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			-	-	-	149	156	163	167
Service point - vacant land (Rands/month)			-	-	-	75	89	93	96
Waste water - flat rate tariff (c/kl)									
Volumetric charge - Block 1 (c/kl)			-	-	-	-	0	0	1

MAN Mangaung - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2021/22	2022/23	2023/24	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
							Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Volumetric charge - Block 2 (c/kl) Volumetric charge - Block 3 (c/kl) Volumetric charge - Block 4 (c/kl) Other	2	Non Residential (fill in structure) (fill in structure)	-	-	-	-	1	1	1
Electricity tariffs									
Domestic									
Basic charge/fixed fee (Rands/month)			-	-	-	-	-	-	-
Service point - vacant land (Rands/month)									
FBE		(how is this targeted?) (describe structure)							
Life-line tariff - meter		(describe structure)							
Life-line tariff - prepaid									
Flat rate tariff - meter (c/kwh)									
Flat rate tariff - prepaid(c/kwh)									
Meter - IBT Block 1 (c/kwh)		1 - 350kwh Summer	-	-	-	-	277	295	316
Meter - IBT Block 2 (c/kwh)		351kwh and above Summer	-	-	-	-	320	341	365
Meter - IBT Block 3 (c/kwh)		1 - 350kwh Winter	-	-	-	-	343	365	391
Meter - IBT Block 4 (c/kwh)		351 kwh and above Winter	-	-	-	-	416	443	474
Meter - IBT Block 5 (c/kwh)		(fill in thresholds)							
Prepaid - IBT Block 1 (c/kwh)		1 - 350kwh Summer	-	-	-	-	277	295	316
Prepaid - IBT Block 2 (c/kwh)		351kwh and above Summer	-	-	-	-	320	341	365
Prepaid - IBT Block 3 (c/kwh)		1 - 350kwh Winter	-	-	-	-	343	365	391
Prepaid - IBT Block 4 (c/kwh)		351 kwh and above Winter	-	-	-	-	416	443	474
Prepaid - IBT Block 5 (c/kwh)		(fill in thresholds)							
Other	2								
Waste management tariffs									
Domestic									
Street cleaning charge		901 - 1500	-	-	-	226	236	247	253
Basic charge/fixed fee									
80l bin - once a week									
250l bin - once a week									

MAN Mangaung - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2021/22	2022/23	2023/24	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
							Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Exemptions, reductions and rebates (Rands)									
General Residential Rebate			-	-	-	-	100 000	100 000	100 000
Service Tariffs By Category - Explanatory		Indigent Rebate or exemption	-	-	-	-	100 000	100 000	100 000
Pensioners/Social Grants Rebate Or Exemption			-	-	-	-	300 000	300 000	300 000
Water tariffs									
Water Usage - Block 5 (C/Kl)		Above 60kl	-	-	-	48	59	66	73
Water Usage - Block 1 (C/Kl) 0 - 6kl		0 - 6kl	-	-	-	-	13	15	16
Water Usage - Block 2 (C/Kl)		7 - 15kl	-	-	-	28	33	37	41
Water Usage - Block 3 (C/Kl)		16 - 30kl	-	-	-	32	39	43	48
Water Usage - Block 4 (C/Kl)		31 - 60kl	-	-	-	40	48	53	59
Waste water tariffs									
Cent Per Rand - Residential		Linked to valuation of property	-	-	-	42	0	0	1
Cent Per Rand - Non Residential		Linked to valuation of property	-	-	-	1 049	1	1	1
Electricity tariffs									
Prepaid lbt Block 4 (C/Kwh)		351 kwh and above Winter	-	-	-	-	416	443	474
Meter lbt Block 1 (C/Kwh)		1 - 350kwh Summer	-	-	-	-	277	295	316
Meter lbt Block 2 (C/Kwh)		351kwh and above Summer	-	-	-	-	320	341	365
Meter lbt Block 3 (C/Kwh)		1 - 350kwh Winter	-	-	-	-	343	365	391
Meter lbt Block 4 (C/Kwh)		351 kwh and above Winter	-	-	-	-	416	443	474
Prepaid lbt Block 1 (C/Kwh)		1 - 350kwh Summer	-	-	-	-	277	295	316
Prepaid lbt Block 2 (C/Kwh)		351kwh and above Summer	-	-	-	-	320	341	365
Prepaid lbt Block 3 (C/Kwh)		1 - 350kwh Winter	-	-	-	-	343	365	391

1.6 Supporting Table SA14 - Household Bills

The table below gives the user an indication of the size of the household bill that an average household should expect to pay for services:

MAN Mangaung - Supporting Table SA14 Household bills

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26 % incr.	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		–	521,82	490,89	554,69	554,69	554,69	(0,2%)	553,40	578,30	592,76
Electricity: Basic levy		–	42,33	–	45,00	45,00	45,00	(100,0%)	–	–	–
Electricity: Consumption		–	2 452,01	–	–	–	–	–	3 049,50	3 243,45	3 476,65
Water: Basic levy		–	–	39,82	–	–	–	–	52,75	58,55	64,99
Water: Consumption		–	787,98	741,28	837,63	837,63	837,63	14,6%	959,76	1 065,33	1 182,52
Sanitation		–	257,43	242,27	273,76	273,76	273,76	(0,4%)	272,71	284,98	292,10
Refuse removal		–	142,64	134,18	151,62	151,62	151,62	12,5%	170,64	178,32	182,78
Other		–	–	–	–	–	–	–	–	–	–
sub-total		–	4 204,21	1 648,44	1 862,70	1 862,70	1 862,70	171,6%	5 058,76	5 408,93	5 791,80
VAT on Services		–	–	–	–	–	–	–	675,80	724,59	779,86
Total large household bill:		–	4 204,21	1 648,44	1 862,70	1 862,70	1 862,70	207,9%	5 734,56	6 133,52	6 571,66
% increase/-decrease		–	–	(60,8%)	13,0%	–	–	1 499,2%	207,9%	7,0%	7,1%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		–	–	–	–	–	–	–	368,93	385,54	395,17
Electricity: Basic levy		–	–	–	–	–	–	–	1 449,50	1 541,69	1 652,54
Electricity: Consumption		–	–	–	–	–	–	–	52,75	58,55	64,99
Water: Basic levy		–	42,33	39,82	45,00	45,00	45,00	17,2%	52,75	58,55	64,99
Water: Consumption		–	827,38	778,35	879,50	879,50	879,50	(12,8%)	766,66	850,99	944,60
Sanitation		–	270,41	254,38	287,45	287,45	287,45	(32,2%)	194,79	203,58	208,65
Refuse removal		–	149,77	140,89	159,21	159,21	159,21	7,2%	170,64	178,32	182,78
Other		–	–	–	–	–	–	–	–	–	–
sub-total		–	1 289,89	1 213,44	1 371,16	1 371,16	1 371,16	119,0%	3 003,27	3 218,67	3 448,73
VAT on Services		–	–	–	–	–	–	–	395,15	424,97	458,03
Total small household bill:		–	1 289,89	1 213,44	1 371,16	1 371,16	1 371,16	147,8%	3 398,42	3 643,64	3 906,76
% increase/-decrease		–	–	(5,9%)	13,0%	–	–	1 037,5%	147,8%	7,2%	7,2%
Monthly Account for Household - 'Indigent'	3										
Household receiving free basic services											
Rates and services charges:											
Property rates		–	–	–	–	–	–	–	184,47	192,77	197,59
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		–	50,00	–	50,00	50,00	50,00	1 280,0%	690,00	733,88	786,65
Water: Basic levy		–	–	–	–	–	–	–	–	–	–
Water: Consumption		–	6,00	–	6,00	6,00	6,00	8 131,3%	493,88	548,21	608,51
Sanitation		–	–	–	–	–	–	–	156,04	163,06	167,14
Refuse removal		–	–	–	–	–	–	–	70,99	74,18	76,04
Other		–	–	–	–	–	–	–	–	–	–
sub-total		–	56,00	–	56,00	56,00	56,00	2 748,9%	1 595,38	1 712,10	1 835,93
VAT on Services		–	–	–	–	–	–	–	211,64	227,90	245,75
Total small household bill:		–	56,00	–	56,00	56,00	56,00	3 126,8%	1 807,02	1 940,00	2 081,68
% increase/-decrease		–	–	(100,0%)	–	–	–	–	3 126,8%	7,4%	7,3%

4. OVERVIEW OF BUDGET FUNDING

4.1 Funding Measurement SA10

MAN Mangaung Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	3 727 535	4 171 516	7 172 269	1 387 853	1 387 686	1 387 686	8 413 820	1 075 217	2 618 228	4 875 883
Cash + investments at the yr end less applications - R'000	18(1)b	2	(4 469 498)	(4 482 946)	(4 872 132)	332 825	319 222	319 222	(4 789 340)	209 832	1 511 585	2 858 817
Cash year end/monthly employee/supplier payments	18(1)b	3	5,6	6,2	10,0	1,9	2,2	1,8	10,7	1,3	–	–
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(925 553)	(176 501)	(719 936)	2 060 314	1 404 299	1 404 299	(243 742)	1 502 711	1 721 463	1 883 577
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	1,1%	0,5%	13,2%	(4,3%)	(6,0%)	(29,0%)	(0,2%)	0,4%	0,7%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	60,7%	73,6%	87,7%	42,8%	42,2%	42,2%	96,8%	89,2%	95,0%	99,7%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	28,3%	21,5%	15,2%	24,0%	26,1%	26,1%	29,8%	26,1%	25,0%	23,8%
Capital payments % of capital expenditure	18(1)c,(19)	8	100,0%	100,0%	100,0%	100,0%	117,4%	117,4%	97,7%	102,3%	100,0%	100,0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0,0%	0,0%	(16,7%)	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10	–	–	–	–	–	–	–	0,0%	0,0%	0,0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(9,6%)	4,1%	(9,3%)	0,0%	0,0%	(1,3%)	9,3%	(0,2%)	(15,9%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	(26,8%)	0,5%	(99,8%)	0,0%	0,0%	40352,8%	(98,7%)	0,0%	0,0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	3,3%	3,1%	3,3%	2,5%	2,7%	2,7%	3,0%	2,9%	2,9%	0,0%
Asset renewal % of capital budget	20(1)(vi)	14	21,4%	12,7%	19,1%	17,8%	26,2%	26,2%	0,0%	37,2%	38,9%	39,1%

4.2 Particulars of Monetary Investment

The municipality's monetary investment particulars by type and maturity are as follows: **SA15**

MAN Mangaung - Supporting Table SA15 Investment particulars by type

MAIN MANGANG - Supporting Table 5A to Investment particulars by type										
Investment type	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds		124	144	167	-	-	-	-	-	-
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits		124 374	364 920	321 555	-	-	-	-	-	-
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	124 498	365 064	321 722	-	-	-	-	-	-
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits		(1 607 918)	272 063	110 551	-	-	-	-	-	-
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		(1 607 918)	272 063	110 551	-	-	-	-	-	-
Consolidated total:		(1 483 420)	637 126	432 273	-	-	-	-	-	-

2. Supporting Table SA16 - Investment Particulars by maturity

MAN Mangaung - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														
Municipality sub-total										#REF!		#REF!	#REF!	#REF!
Entities														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									#REF!		#REF!	#REF!	#REF!

3. Existing and Proposed New Borrowings

The table below gives the user an indication of the existing and proposed new borrowings for the MTREF period: **SA17**

MAN Mangaung - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	
R thousand											
Parent municipality	1										
Annuity and Bullet Loans		560 692	588 366	593 847	53 669	53 669	53 669	-	-	-	
Long-Term Loans (non-annuity)											
Local registered stock											
Instalment Credit											
Financial Leases		(0)	(0)	(0)	-	-	-	-	-	-	
PPP liabilities		417 082	387 116	357 151	-	-	-	-	-	-	
Finance Granted By Cap Equipment Supplier											
Marketable Bonds											
Non-Marketable Bonds											
Bankers Acceptances											
Financial derivatives											
Other Securities		-	-	-	-	-	-	-	-	-	
Municipality sub-total			977 773	975 482	950 998	53 669	53 669	53 669	-	-	-
Entities		1									
Annuity and Bullet Loans											
Long-Term Loans (non-annuity)											
Local registered stock											
Instalment Credit											
Financial Leases	(1 757)		1 511	1 765	-	-	-	-	-	-	
PPP liabilities											
Finance Granted By Cap Equipment Supplier											
Marketable Bonds											
Non-Marketable Bonds											
Bankers Acceptances											
Financial derivatives											
Other Securities											
Entities sub-total			(1 757)	1 511	1 765	-	-	-	-	-	-
Total Borrowing	1		976 017	976 993	952 763	53 669	53 669	53 669	-	-	-
Unspent Borrowing - Categorised by type	1										
Parent municipality											
Long-Term Loans (annuity/reducing balance)											
Long-Term Loans (non-annuity)											
Local registered stock											
Instalment Credit											
Financial Leases											
PPP liabilities											
Finance Granted By Cap Equipment Supplier											
Marketable Bonds											
Non-Marketable Bonds											
Bankers Acceptances											
Financial derivatives											
Other Securities											
Municipality sub-total			-	-	-	-	-	-	-	-	-
Entities	1										
Long-Term Loans (annuity/reducing balance)											
Long-Term Loans (non-annuity)											
Local registered stock											
Instalment Credit											
Financial Leases											
PPP liabilities											
Finance Granted By Cap Equipment Supplier											
Marketable Bonds											
Non-Marketable Bonds											
Bankers Acceptances											
Financial derivatives											
Other Securities											
Entities sub-total		-	-	-	-	-	-	-	-	-	
Total Unspent Borrowing	1	-	-	-	-	-	-	-	-	-	

6. BUDGETED GRANTS AND TRANSFERS

6.1 Transfers and Grants Receipts

The following grants allocated to the municipality in terms of the Division of Revenue Act have been included in the medium-term budget. The receipts projected and expenditure on the grants is to be as follows: **SA18**

MAN Mangaung - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		876 232	982 528	1 229 392	1 249 834	1 274 393	1 274 393	1 353 970	1 401 025	1 472 880
Local Government Equitable Share		830 046	938 383	1 037 664	1 113 938	1 113 938	1 113 938	1 197 582	1 271 840	1 329 354
Energy Efficiency and Demand Side Management		–	–	7 391	–	–	–	–	–	–
Expanded Public Works Programme Integrated G		1 302	1 382	1 263	1 839	1 839	1 839	1 524	–	–
Infrastructure Skills Development Grant		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant		1 999	1 980	2 200	2 000	2 000	2 000	2 000	2 200	2 300
Metro Informal Settlements Partnership Grant		–	–	–	3 458	9 675	9 675	13 959	10 522	10 036
Municipal Demarcation Transition Grant		–	–	–	–	–	–	–	–	–
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant		–	–	–	40 000	38 042	38 042	–	–	–
Programme and Project Preparation Support Grant		5 480	9 584	7 138	10 000	10 000	10 000	–	–	–
Public Transport Network Grant		37 406	21 899	36 046	64 526	89 326	89 326	90 713	74 808	87 725
Urban Development Financing Grant		–	–	–	–	–	–	35 200	28 086	29 300
Urban Settlement Development Grant		–	9 300	137 690	14 073	9 573	9 573	12 992	13 570	14 165
Provincial Government:		–	–	–	–	–	–	–	–	–
Capacity Building and Other Grants		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		1 372	4 009	6 286	25 654	25 654	25 654	7 171	4 000	4 000
Free State Arts and Cultural Council		1 372	2 784	5 544	4 000	4 000	4 000	4 000	4 000	4 000
National Skills Fund		–	1 225	742	21 654	21 654	21 654	3 171	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	877 604	986 537	1 235 678	1 275 488	1 300 047	1 300 047	1 361 141	1 405 025	1 476 880
Capital Transfers and Grants										
National Government:		753 425	809 566	571 468	1 019 284	771 811	771 811	1 000 769	1 012 165	1 054 268
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Integrated City Development Grant		–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		81 686	107 889	161 484	298 544	223 269	223 269	301 572	319 464	334 872
Municipal Disaster Relief Grant		–	–	1 157	–	12 144	12 144	–	–	–
Neighbourhood Development Partnership Grant		26 523	19 738	16 908	2 042	2 000	2 000	–	–	–
Public Transport Network Grant		93 455	82 542	42 074	202 160	78 360	78 360	144 717	117 774	118 470
Urban Development Financing Grant		–	–	–	–	–	–	13 196	8 914	9 300
Urban Settlement Development Grant		551 761	599 397	349 845	516 538	456 038	456 038	541 285	566 012	591 626
Provincial Government:		142 254	–	30 931	–	–	–	–	–	–
Infrastructure Grant		142 254	–	30 931	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		19 509	15 958	4 319	15 558	15 558	15 558	16 242	16 973	17 398
Developers Contribution		19 509	15 958	4 319	15 558	15 558	15 558	16 242	16 973	17 398
Unspecified		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	915 188	825 524	606 718	1 034 842	787 369	787 369	1 017 011	1 029 138	1 071 665
TOTAL RECEIPTS OF TRANSFERS & GRANTS		1 792 792	1 812 060	1 842 396	2 310 330	2 087 416	2 087 416	2 378 153	2 434 163	2 548 546

6.2 Expenditure on Transfers and Grants

The table below provides the expenditure details on the transfers and grants programme. These are mainly conditional grants with specifically defined objective. The exception being the Equitable Share Allocations - unconditional grant. **SA19**

MAN Mangaung - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		469 709	420 743	526 125	368 426	387 360	387 360	433 451	404 597	435 558
Local Government Equitable Share		259 127	185 508	220 404	232 530	226 905	226 905	277 063	275 412	292 031
Expanded Public Works Programme Integrated Grant		1 286	1 377	1 454	1 839	1 839	1 839	1 524	–	–
Infrastructure Skills Development Grant		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant		53 156	67 446	104 106	2 000	2 000	2 000	2 000	2 200	2 300
Metro Informal Settlements Partnership Grant		21 086	2 691	12 134	3 458	9 675	9 675	13 959	10 522	10 036
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant		16 283	29 537	19 402	40 000	38 042	38 042	–	–	–
Programme and Project Preparation Support Grant		4 765	8 334	6 276	10 000	10 000	10 000	–	–	–
Public Transport Network Grant		33 731	21 660	33 381	64 526	89 326	89 326	90 713	74 808	87 725
Urban Development Financing Grant		–	–	–	–	–	–	35 200	28 086	29 300
Urban Settlement Development Grant		80 275	104 191	128 967	14 073	9 573	9 573	12 992	13 570	14 165
Provincial Government:		–	–	450	–	–	–	–	–	–
Capacity Building and Other Grants		–	–	450	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		1 193	3 646	5 498	25 654	25 654	25 654	7 171	4 000	4 000
Free State Arts and Cultural Council		1 193	2 421	4 821	4 000	4 000	4 000	4 000	4 000	4 000
National Skills Fund		–	1 225	677	21 654	21 654	21 654	3 171	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		470 902	424 389	532 072	394 080	413 014	413 014	440 622	408 597	439 558
Capital expenditure of Transfers and Grants										
National Government:		522 999	562 987	438 103	1 019 284	771 811	771 811	1 000 769	1 012 165	1 054 268
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Integrated City Development Grant		–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		59 163	80 351	104 589	298 544	223 269	223 269	301 572	319 464	334 872
Municipal Disaster Relief Grant		–	–	1 006	–	12 144	12 144	–	–	–
Neighbourhood Development Partnership Grant		9 231	–	–	2 042	2 000	2 000	–	–	–
Public Transport Network Grant		85 610	70 888	42 074	202 160	78 360	78 360	144 717	117 774	118 470
Urban Development Financing Grant		–	–	–	–	–	–	13 196	8 914	9 300
Urban Settlement Development Grant		368 996	411 748	290 433	516 538	456 038	456 038	541 285	566 012	591 626
Provincial Government:		133 638	–	30 250	–	–	–	–	–	–
Infrastructure Grant		133 638	–	30 250	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		10 834	9 833	11 685	14 000	14 000	14 000	14 500	15 153	15 531
Developers Contribution		–	–	10 848	14 000	14 000	14 000	14 500	15 153	15 531
Unspecified		10 834	9 833	838	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		667 471	572 820	480 038	1 033 284	785 811	785 811	1 015 269	1 027 317	1 069 799
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 138 373	997 209	1 012 110	1 427 364	1 198 825	1 198 825	1 455 891	1 435 914	1 509 357

6.3 Reconciliations of transfers grant receipts and unspent funds.

The table below provides a summary reconciliation of transfers grants receipts and unspent funds at the respective year ends. **SA20**

MAN Mangaung - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		(1 963)	(67 825)	(10 410)	–	–	–	–	–	–
Current year receipts		(920 196)	(64 709)	(147 199)	(122 438)	(122 438)	(122 438)	(107 230)	(90 578)	(104 190)
Repayment of grants		364	–	14 499	–	–	–	–	–	–
Conditions met - transferred to revenue		(1 776 493)	(186 833)	(366 215)	(244 877)	(244 877)	(244 877)	(214 459)	(181 156)	(208 380)
Conditions still to be met - transferred to liabilities		853 970	54 299	194 107	122 438	122 438	122 438	107 230	90 578	104 190
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year		(1 055)	(11 675)	(16 000)	–	–	–	–	–	–
Current year receipts		(2 000)	(9 388)	(6 092)	(25 654)	(25 654)	(25 654)	(7 171)	(4 000)	(4 000)
Conditions met - transferred to revenue		(4 427)	(25 073)	(28 377)	(51 308)	(51 308)	(51 308)	(14 342)	(8 000)	(8 000)
Conditions still to be met - transferred to liabilities		1 372	4 009	6 286	25 654	25 654	25 654	7 171	4 000	4 000
Total operating transfers and grants revenue		(1 780 920)	(211 906)	(394 592)	(296 185)	(296 185)	(296 185)	(228 802)	(189 156)	(216 380)
Total operating transfers and grants - CTBM	2	855 341	58 308	200 393	148 092	148 092	148 092	114 401	94 578	108 190
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		(22 107)	(301 648)	(166 920)	–	–	–	–	–	–
Current year receipts		(944 542)	(700 349)	(520 982)	(720 740)	(720 740)	(720 740)	(686 001)	(683 786)	(710 096)
Conditions met - transferred to revenue		(1 613 636)	(1 661 327)	(1 064 517)	(1 441 479)	(1 441 479)	(1 441 479)	(1 372 003)	(1 367 572)	(1 420 192)
Conditions still to be met - transferred to liabilities		646 986	659 329	376 615	720 740	720 740	720 740	686 001	683 786	710 096
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year		(2 482)	(2 482)	(2 000)	–	–	–	–	–	–
Current year receipts		–	–	–	(15 558)	(15 558)	(15 558)	(16 242)	(16 973)	(17 398)
Conditions met - transferred to revenue		(2 482)	(2 482)	(2 000)	(31 116)	(31 116)	(31 116)	(32 485)	(33 947)	(34 795)
Conditions still to be met - transferred to liabilities		–	–	–	15 558	15 558	15 558	16 242	16 973	17 398
Total capital transfers and grants revenue		(1 616 118)	(1 663 809)	(1 066 517)	(1 472 595)	(1 472 595)	(1 472 595)	(1 404 487)	(1 401 519)	(1 454 987)
Total capital transfers and grants - CTBM	2	646 986	659 329	376 615	736 298	736 298	736 298	702 244	700 760	727 494
TOTAL TRANSFERS AND GRANTS REVENUE		(3 397 038)	(1 875 715)	(1 461 109)	(1 768 780)	(1 768 780)	(1 768 780)	(1 633 289)	(1 590 675)	(1 671 367)
TOTAL TRANSFERS AND GRANTS - CTBM		1 502 328	717 637	577 008	884 390	884 390	884 390	816 645	795 337	835 684

6.4 ALLOCATIONS OF GRANTS MADE BY THE MUNICIPALITY

The table below outlines the allocation of grants to the municipal entity and the cash transfer to groups and individuals:
SA21

MAN Mangaung - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
Cash Transfers to other municipalities	1										
<i>Insert description</i>											
Total Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Entities/Other External Mechanisms	2										
Total Cash Transfers To Entities/Ems		–	–	–	–	–	–	–	–	–	–
Cash Transfers to other Organs of State	3										
Nat Dpt Agen - Municipal Demarcat Board		–	–	–	–	–	–	–	–	–	–
Nat Dpt Agen - Energy Sector Seta		7 244	–	4 992	–	–	–	–	–	–	–
Nat Dpt Agen - Train & Devel Prac Seta		–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Other Organs Of State:		7 244	–	4 992	–	–	–	–	–	–	–

MAN Mangaung - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
Cash Transfers to Organisations											
Non Prof: Other Non-Profit Insti		-	-	-	-	-	-	-	-	-	-
Non Prof: Unspecified		-	-	-	-	-	-	-	-	-	-
Ts_O_M_Np Ins_Old Age Homes		-	-	-	-	-	-	-	-	-	-
Non Prof: Softstart		-	-	-	-	-	-	-	-	-	-
Non Prof: Spca		-	-	-	-	-	-	-	-	-	-
Non Prof: Unspec (Old Age Grant		-	-	-	21	21	21	-	-	-	-
Non Prof: Unspec Available		-	-	-	-	-	-	-	-	-	-
Non Prof: Unspec Farmers Supp		-	-	-	2	2	2	-	-	-	-
Non Prof: Unspec Miscel Grant		-	-	-	-	-	-	-	-	-	-
Non Prof: Unspec Poverty Relief		-	-	-	3	3	3	-	-	-	-
Ts_O_M_Np Ins_Sport Councils		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Organisations		-	-	-	26	26	26	-	-	-	-
Cash Transfers to Groups of Individuals											
Hh Ssp Soc Ass: Poverty Relief		-	-	-	-	-	-	-	-	-	-
Hh Ssp Soc Ass: Poverty Relief (Mayor Sp		-	-	-	-	-	-	-	-	-	-
Hh Ssp Soc Ass: Poverty Relief (Youth Co		-	-	-	-	-	-	-	-	-	-
Ts_O_M_Hh_Cash_Farmer Supp H/H (Cash)		-	-	-	-	-	-	-	-	-	-
Ts_O_M_Hh_Ssp_Soc Ass_Grant In Aid		-	-	-	-	-	-	-	15 000	-	-
Hh Ssp Soc Ass: Old Age Grant Cost Of Li		-	-	-	336	336	336	-	-	-	-
Total Cash Transfers To Groups Of Individuals:		-	-	-	336	336	336	-	15 000	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	7 244	-	4 992	361	361	361	-	15 000	-	-
Non-Cash Transfers to other municipalities	1										
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms	2										
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State	3										
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Non-Cash Grants to Organisations	4										
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Groups of Individuals	5										
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	7 244	-	4 992	361	361	361	-	15 000	-	-

6.5 COUNCILLORS AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

The table below provides an indication of the total cost to employer of the councillors and staff members over the MTREF period: **SA22**

MAN Mangaung - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
Councillors (Political Office Bearers plus Other)	1	A	B	C	D	E	F	G	H	I
Basic Salaries and Wages		48 616	50 018	54 553	56 869	56 769	56 769	59 693	62 827	65 340
Pension and UIF Contributions		855	745	705	1 075	1 075	1 075	1 131	1 190	1 238
Medical Aid Contributions		464	449	465	520	520	520	547	575	598
Motor Vehicle Allowance		-	-	-	894	894	894	940	989	1 029
Cellphone Allowance		4 514	4 472	4 662	4 805	4 805	4 805	5 053	5 318	5 531
Housing Allowances		59	43	18	85	85	85	89	94	98
Other benefits and allowances		13 387	13 706	14 148	15 480	14 280	14 280	16 277	17 131	17 817
Sub Total - Councillors		67 895	69 434	74 552	79 728	78 428	78 428	83 728	88 124	91 649
% increase	4		2,3%	7,4%	6,9%	(1,6%)	-	6,8%	5,3%	4,0%

MAN Mangaung - Supporting Table SA22 Summary councillor and staff benefits

Municipal Management - Supporting Table 0422: Summary: Councillor and Staff Benefits										
Summary of Employee and Councillor remuneration	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
Senior Managers of the Municipality										
Basic Salaries and Wages	2	9 135	6 228	6 442	13 484	11 400	11 400	18 276	19 236	20 005
Pension and UIF Contributions		744	28	11	19	19	19	295	310	322
Medical Aid Contributions		405	8	92	462	403	403	390	410	427
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		711	–	–	610	531	531	571	581	588
Motor Vehicle Allowance	3	1 215	20	80	2 677	2 154	2 154	455	455	455
Cellphone Allowance	3	128	2	63	150	150	150	178	178	178
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	1	0	0	1	1	1	1	1	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		12	20	235	–	–	–	75	79	82
In kind benefits		–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		12 350	6 306	6 925	17 403	14 658	14 658	20 242	21 250	22 058
% increase	4		(48,9%)	9,8%	151,3%	(15,8%)	–	38,1%	5,0%	3,8%
Other Municipal Staff										
Basic Salaries and Wages		1 068 971	1 019 535	1 037 396	1 211 984	1 138 360	1 138 360	1 233 806	1 229 356	1 278 492
Pension and UIF Contributions		183 384	189 931	191 821	214 887	212 888	212 888	211 909	222 964	231 881
Medical Aid Contributions		100 638	102 752	108 807	117 785	117 477	117 477	129 523	136 323	141 775
Overtime		168 618	166 244	198 926	79 793	100 770	100 770	75 256	79 207	82 376
Performance Bonus		74 090	79 020	82 639	93 187	92 316	92 316	92 155	96 993	100 872
Motor Vehicle Allowance	3	98 454	107 836	120 283	136 168	132 310	132 310	136 094	143 239	148 969
Cellphone Allowance	3	2 158	2 440	2 386	2 635	2 586	2 586	2 398	2 401	2 404
Housing Allowances	3	5 609	5 610	5 896	6 646	6 743	6 743	8 862	9 328	9 701
Other benefits and allowances	3	22 215	23 583	25 304	23 661	23 656	23 656	31 248	32 889	34 204
Payments in lieu of leave		24 755	33 747	55 310	35 299	35 299	35 299	45 304	47 683	49 590
Long service awards		19 515	19 238	21 641	15 092	15 257	15 257	15 990	16 829	17 502
Post-retirement benefit obligations	6	8 458	(19 385)	48 687	52 265	52 265	52 265	57 956	60 999	63 439
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		30 678	37 033	53 875	1 418	46 233	46 233	1 019	1 072	1 115
In kind benefits		–	–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff		1 807 544	1 767 585	1 952 970	1 990 821	1 976 159	1 976 159	2 041 520	2 079 283	2 162 321
% increase	4		(2,2%)	10,5%	1,9%	(0,7%)	–	3,3%	1,8%	4,0%
Total Parent Municipality		1 887 789	1 843 325	2 034 446	2 087 951	2 069 245	2 069 245	2 145 490	2 188 657	2 276 028
Board Members of Entities										
Basic Salaries and Wages		142	47	954	1 277	1 277	1 277	666	701	729
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	–	–	–	–	–	–	–	–	–
Cellphone Allowance	3	–	–	–	–	–	–	–	–	–
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	–	–	–	–	–	–	–	–	–
Board Fees		–	–	–	–	–	–	–	–	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		–	–	–	–	–	–	–	–	–
In kind benefits		–	–	–	–	–	–	–	–	–
Sub Total - Board Members of Entities		142	47	954	1 277	1 277	1 277	666	701	729
% increase	4		(66,9%)	1 935,5%	33,9%	–	–	(47,9%)	5,3%	4,0%
Senior Managers of Entities										
Basic Salaries and Wages		2 488	8 721	6 477	14 149	14 149	14 149	13 009	13 692	14 239
Pension and UIF Contributions		4	15	10	–	–	–	15	16	16
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	514	2 130	1 476	–	–	–	–	–	–
Cellphone Allowance	3	28	110	73	162	162	162	154	162	168
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	0	0	0	–	–	–	–	–	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		–	–	–	–	–	–	–	–	–
In kind benefits		–	–	–	–	–	–	–	–	–

Sub Total - Senior Managers of Entities		3 034	10 975	8 035	14 311	14 311	14 311	13 177	13 869	14 424
% increase	4		261,8%	(26,8%)	78,1%	—	—	(7,9%)	5,3%	4,0%
Other Staff of Entities										
Basic Salaries and Wages		248 893	252 291	287 110	288 448	288 448	288 448	375 318	394 646	411 444
Pension and UIF Contributions		45 080	48 520	53 349	51 158	51 158	51 158	61 574	64 807	67 399
Medical Aid Contributions		24 409	26 143	29 845	46 240	46 240	46 240	35 873	37 756	39 266
Overtime		40 893	49 523	58 448	37 872	37 872	37 872	39 823	41 913	43 590
Performance Bonus		18 757	20 032	20 559	20 567	20 567	20 567	25 527	26 867	27 942
Motor Vehicle Allowance	3	24 555	25 617	28 379	23 673	23 673	23 673	28 476	29 971	31 170
Cellphone Allowance	3	827	701	789	1 808	1 808	1 808	1 718	1 808	1 880
Housing Allowances	3	1 594	1 775	1 968	10 993	10 993	10 993	2 507	2 639	2 744
Other benefits and allowances	3	9 264	10 510	11 142	8 790	8 790	8 790	9 238	9 723	10 112
Payments in lieu of leave		817	760	1 103	—	—	—	—	—	—
Long service awards		3 769	1 775	—	—	—	—	—	—	—
Post-retirement benefit obligations	6									
Entertainment										
Scarcity										
Acting and post related allowance		2 655	1 070	404	—	—	—	—	—	—
In kind benefits										
Sub Total - Other Staff of Entities		421 512	438 718	493 096	489 549	489 549	489 549	580 053	610 130	635 548
% increase	4		4,1%	12,4%	(0,7%)	—	—	18,5%	5,2%	4,2%
Total Municipal Entities		424 688	449 741	502 085	505 137	505 137	505 137	593 896	624 700	650 701
TOTAL SALARY, ALLOWANCES & BENEFITS		2 312 477	2 293 065	2 536 531	2 593 088	2 574 382	2 574 382	2 739 386	2 813 356	2 926 728
% increase	4		(0,8%)	10,6%	2,2%	(0,7%)	—	6,4%	2,7%	4,0%
TOTAL MANAGERS AND STAFF	5.7	2 244 441	2 223 585	2 461 025	2 512 083	2 494 677	2 494 677	2 654 992	2 724 531	2 834 505

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		1 155 232	22 528	420 081			1 597 841
Chief Whip			851 923	162 011	354 953			1 368 887
Executive Mayor			1 351 323	-	52 018			1 403 341
Deputy Executive Mayor			13 706	167 501	368 366			549 573
Executive Committee								-
Total for all other councillors			56 320 482	1 325 359	21 162 965			78 808 806
Total Councillors	8	-	59 692 666	1 677 399	22 358 383			83 728 448
Senior Managers of the Municipality	5							
Municipal Manager (MM)			2 660 770	2 125	24 143	-		2 687 038
Chief Finance Officer			1 807 011	2 125	19 343	67 224		1 895 703
SM D01			1 534 765	278 383	199 343	68 504		2 080 995
SM D02			2 258 471	78 262	19 343	57 902		2 413 978
SM D03			2 042 135	88 129	19 343	79 871		2 229 478
SM D04			2 258 471	78 262	19 343	57 902		2 413 978
SM D05			2 258 471	78 262	19 343	57 902		2 413 978
SM D06			1 728 035	77 442	156 827	90 975		2 053 279
SM D07			-	-	-	-		-
SM D08			-	-	-	-		-
SM D15			1 728 035	2 268	232 001	90 975		2 053 279
SM PMU			-	-	-	-		-
List of each official with packages >= senior manager								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total Senior Managers of the Municipality	8.10	-	18 276 164	685 258	709 029	571 255		20 241 708

[illegible]

Summary of Personnel Numbers	Ref	2023/24			Current Year 2024/25			Budget Year 2025/26		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		101	18	83	101	18	83	101	18	83
Board Members of municipal entities	4	–	–	19	–	–	20	–	–	19
Municipal employees	5									
Municipal Manager and Senior Managers	3	–	–	9	9	6	7	–	5	1
Other Managers	7	–	134	–	–	121	10	–	119	14
Professionals		–	132	1	89	127	2	85	139	5
Finance		–	27	–	–	27	–	–	38	–
Spatial/town planning		–	10	–	–	10	–	–	11	–
Information Technology										
Roads		–	3	–	–	3	–	–	3	–
Electricity										
Water		–	3	–	–	3	–	–	3	–
Sanitation		–	1	–	–	1	–	–	1	–
Refuse										
Other		–	88	1	89	83	2	85	83	5
Technicians		–	250	–	–	238	–	–	246	5
Finance		–	6	–	–	5	–	–	6	–
Spatial/town planning		–	4	–	–	4	–	–	3	–
Information Technology		–	28	–	–	29	–	–	25	–
Roads		–	17	–	–	17	–	–	17	–
Electricity										
Water		–	24	–	–	24	–	–	24	–
Sanitation		–	11	–	–	10	–	–	9	–
Refuse		–	6	–	–	4	–	–	5	–
Other		–	154	–	–	145	–	–	157	5
Clerks (Clerical and administrative)		–	523	24	–	504	35	–	490	53
Service and sales workers		–	481	7	–	477	12	–	451	14
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators		–	215	–	–	209	2	–	189	7
Elementary Occupations		–	1 410	13	–	1 372	21	–	1 291	21
TOTAL PERSONNEL NUMBERS	9	101	3 163	156	199	3 072	192	186	2 948	222
% increase					97,0%	(2,9%)	23,1%	(6,5%)	(4,0%)	15,6%
Total municipal employees headcount	6, 10	101	3 494	156	199	3 408	192	186	3 273	222
Finance personnel headcount	8, 10	–	255	–	–	262	–	–	250	–
Human Resources personnel headcount	8, 10	–	76	–	–	74	–	–	75	–

6.6 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

The Supporting Tables SA25 SA26 SA27 SA28 SA29 and SA30 to follow hereafter provides management and users of the budget with a monthly breakdown of the budget as contained in Tables A2 to A7. These tables are to be used as a measure of performance on the budget monthly. They are to be used on the monthly Section 71 Report to track management's actual implementation of the budget.

The following tables outline the monthly targets for revenue and expenditure capital and cash flow are as follows:

Consolidated budgeted monthly revenue and expenditure (**SA25**)

MAN Mangaung - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

R thousand	Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework		
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue																	
Exchange Revenue																	
Service charges - Electricity			368 293	368 293	368 293	368 293	368 293	368 293	368 293	368 293	368 293	368 293	368 293	368 294	4 419 517	4 700 405	5 037 854
Service charges - Water			137 089	137 089	137 089	137 089	137 089	137 089	137 089	137 089	137 089	137 089	137 089	137 089	1 645 063	1 775 670	1 954 835
Service charges - Waste Water Management			49 085	49 085	49 085	49 085	49 085	49 085	49 085	49 085	49 085	49 085	49 085	49 085	589 015	621 676	643 590
Service charges - Waste Management			16 737	16 737	16 737	16 737	16 737	16 737	16 737	16 737	16 737	16 737	16 737	16 737	200 849	211 986	219 458
Sale of Goods and Rendering of Services			5 592	5 592	5 592	5 592	5 592	5 592	5 592	5 592	5 592	5 592	5 592	5 593	67 108	107 941	216 423
Agency services														-	-	-	-
Interest			51 511	51 511	51 511	51 511	51 511	51 511	51 511	51 511	51 511	51 511	51 511	51 511	618 133	602 517	596 685
Interest earned from Receivables			7 293	7 293	7 293	7 293	7 293	7 293	7 293	7 293	7 293	7 293	7 293	7 293	87 518	85 773	83 875
Dividends			1	1	1	1	1	1	1	1	1	1	1	1	10	9	9
Rent on Land			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets			3 939	3 939	3 939	3 939	3 939	3 939	3 939	3 939	3 939	3 939	3 939	3 940	47 274	49 401	50 636
Licence and permits														-	-	-	-
Special rating levies																	
Operational Revenue																	
Non-Exchange Revenue																	
Property rates			145 342	145 342	145 342	145 342	145 342	145 342	145 342	145 342	145 342	145 342	145 342	145 342	1 744 100	1 840 810	1 905 699
Surcharges and Taxes			4 351	4 351	4 351	4 351	4 351	4 351	4 351	4 351	4 351	4 351	4 351	4 351	52 207	53 882	54 854
Fines, penalties and forfeits			152	152	152	152	152	152	152	152	152	152	152	152	1 827	1 909	1 957
Licences or permits			113 428	113 428	113 428	113 428	113 428	113 428	113 428	113 428	113 428	113 428	113 428	113 428	1 361 141	1 405 025	1 476 880
Transfer and subsidies - Operational			16 289	16 289	16 289	16 289	16 289	16 289	16 289	16 289	16 289	16 289	16 289	16 289	195 462	188 598	183 910
Interest			35 630	35 630	35 630	35 630	35 630	35 630	35 630	35 630	35 630	35 630	35 630	35 630	427 562	414 732	399 600
Fuel Levy			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue			861	861	861	861	861	861	861	861	861	861	861	861	10 335	10 800	11 070
Gains on disposal of Assets			10 865	10 865	10 865	10 865	10 865	10 865	10 865	10 865	10 865	10 865	10 865	10 866	130 386	130 451	1 549
Other Gains															-	-	-
Discontinued Operations																	
Total Revenue (excluding capital transfers and contrib			970 049	970 049	970 049	970 049	970 049	970 049	970 049	970 049	970 049	970 049	970 049	970 050	11 640 587	12 247 632	12 875 117
Expenditure																	
Employee related costs			221 306	221 306	221 306	221 306	221 306	221 306	221 306	221 306	221 306	221 306	221 306	221 293	2 655 658	2 725 232	2 835 079
Remuneration of councillors			6 977	6 977	6 977	6 977	6 977	6 977	6 977	6 977	6 977	6 977	6 977	6 977	83 728	88 124	91 649
Bulk purchases - electricity			247 915	247 915	247 915	247 915	247 915	247 915	247 915	247 915	247 915	247 915	247 915	247 915	2 974 985	3 134 444	3 328 466
Inventory consumed			59 811	59 811	59 811	59 811	59 811	59 811	59 811	59 811	59 811	59 811	59 811	59 811	717 735	752 055	784 962
Debt impairment			187 096	187 096	187 096	187 096	187 096	187 096	187 096	187 096	187 096	187 096	187 096	187 096	2 245 155	2 287 520	2 318 367
Depreciation and amortisation			62 672	62 672	62 672	62 672	62 672	62 672	62 672	62 672	62 672	62 672	62 672	62 672	752 070	857 195	894 454
Interest			1 060	1 060	1 060	1 060	1 060	1 060	1 060	1 060	1 060	1 060	1 060	1 060	12 723	2 605	62
Contracted services			67 962	67 962	67 962	67 962	67 962	67 962	67 962	67 962	67 962	67 962	67 962	67 960	815 537	781 202	813 050
Transfers and subsidies			1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	15 000	-	-
Irrecoverable debts written off			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational costs			50 239	50 239	50 239	50 239	50 239	50 239	50 239	50 239	50 239	50 239	50 239	(69 765)	482 868	509 260	560 749
Losses on disposal of Assets			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses			33 286	33 286	33 286	33 286	33 286	33 286	33 286	33 286	33 286	33 286	33 286	33 286	399 427	417 670	436 347
Total Expenditure			939 576	939 576	939 576	939 576	939 576	939 576	939 576	939 576	939 576	939 576	939 576	819 555	11 154 887	11 555 308	12 063 205
Surplus/(Deficit)			30 473	30 473	30 473	30 473	30 473	30 473	30 473	30 473	30 473	30 473	30 473	150 495	485 700	692 325	811 911
Transfers and subsidies - capital (monetary allocations)			84 751	84 751	84 751	84 751	84 751	84 751	84 751	84 751	84 751	84 751	84 751	84 751	1 017 011	1 029 138	1 071 665
Transfers and subsidies - capital (in-kind)														-	-	-	-
Surplus/(Deficit) after capital transfers & contributions			115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	235 246	1 502 711	1 721 463	1 883 577
Income Tax														-	-	-	-
Share of Surplus/(Deficit) attributable to Joint Venture														-	-	-	-
Share of Surplus/(Deficit) attributable to Minorities														-	-	-	-
Surplus/(Deficit) attributable to municipality			115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	235 246	1 502 711	1 721 463	1 883 577
Share of Surplus/(Deficit) attributable to Associate Inter-company/Parent subsidiary transactions														-	-	-	-
Surplus/(Deficit) for the year			115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	355 246	1 622 711	1 841 463	2 003 577

Consolidated budgeted monthly revenue and expenditure (municipal vote) (SA26)

MAN Mangaung - Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue by Vote																
Vote 01 - City Manager		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vote 02 - Executive And Council		0	0	0	0	0	0	0	0	0	0	0	0	1	1	1
Vote 03 - Corporate Services		1 143	1 143	1 143	1 143	1 143	1 143	1 143	1 143	1 143	1 143	1 143	1 143	13 720	2 064	2 116
Vote 04 - Financial Services		165 677	165 677	165 677	165 677	165 677	165 677	165 677	165 677	165 677	165 677	165 677	165 677	1 988 126	2 079 725	2 139 283
Vote 05 - Community And Social Development		47 425	47 425	47 425	47 425	47 425	47 425	47 425	47 425	47 425	47 425	47 425	47 425	569 095	598 241	619 312
Vote 06 - Planning And Human Settlement		5 062	5 062	5 062	5 062	5 062	5 062	5 062	5 062	5 062	5 062	5 062	5 062	60 743	63 473	65 058
Vote 07 - Economic And Rural Development		3 339	3 339	3 339	3 339	3 339	3 339	3 339	3 339	3 339	3 339	3 339	3 339	40 073	41 839	42 859
Vote 08 - Roads And Transport		1 505	1 505	1 505	1 505	1 505	1 505	1 505	1 505	1 505	1 505	1 505	1 505	18 062	65 646	173 071
Vote 09 - Water And Sanitation		303 119	303 119	303 119	303 119	303 119	303 119	303 119	303 119	303 119	303 119	303 119	303 119	3 637 425	3 840 129	4 068 720
Vote 10 - Municipal General		143 084	143 084	143 084	143 084	143 084	143 084	143 084	143 084	143 084	143 084	143 084	143 084	1 717 004	1 683 093	1 720 464
Vote 11 - Public Safety And Security		2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 169	26 025	27 196	27 876
Vote 12 - Centlec		392 277	392 277	392 277	392 277	392 277	392 277	392 277	392 277	392 277	392 277	392 277	392 277	4 707 325	4 995 362	5 208 022
Vote 13 - N/A1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - N/A		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		1 064 800	1 064 800	1 064 800	1 064 800	1 064 800	1 064 800	1 064 800	1 064 800	1 064 800	1 064 800	1 064 800	1 064 800	12 777 598	13 396 771	14 066 762
Expenditure by Vote to be appropriated																
Vote 01 - City Manager		13 165	13 165	13 165	13 165	13 165	13 165	13 165	13 165	13 165	13 165	13 165	13 164	157 978	166 040	172 486
Vote 02 - Executive And Council		15 890	15 890	15 890	15 890	15 890	15 890	15 890	15 890	15 890	15 890	15 890	15 889	190 680	200 480	215 294
Vote 03 - Corporate Services		31 678	31 678	31 678	31 678	31 678	31 678	31 678	31 678	31 678	31 678	31 678	31 675	380 128	394 269	408 921
Vote 04 - Financial Services		65 166	65 166	65 166	65 166	65 166	65 166	65 166	65 166	65 166	65 166	65 166	65 164	781 985	803 253	842 674
Vote 05 - Community And Social Development		53 632	53 632	53 632	53 632	53 632	53 632	53 632	53 632	53 632	53 632	53 632	53 628	643 582	670 013	696 100
Vote 06 - Planning And Human Settlement		20 848	20 848	20 848	20 848	20 848	20 848	20 848	20 848	20 848	20 848	20 848	20 846	250 177	252 464	262 400
Vote 07 - Economic And Rural Development		6 032	6 032	6 032	6 032	6 032	6 032	6 032	6 032	6 032	6 032	6 032	6 031	72 378	77 396	80 118
Vote 08 - Roads And Transport		55 832	55 832	55 832	55 832	55 832	55 832	55 832	55 832	55 832	55 832	55 832	55 830	669 982	686 697	753 976
Vote 09 - Water And Sanitation		264 865	264 865	264 865	264 865	264 865	264 865	264 865	264 865	264 865	264 865	264 865	264 863	3 178 374	3 184 377	3 243 255
Vote 10 - Municipal General		15 521	15 521	15 521	15 521	15 521	15 521	15 521	15 521	15 521	15 521	15 521	15 521	186 256	171 894	178 233
Vote 11 - Public Safety And Security		31 630	31 630	31 630	31 630	31 630	31 630	31 630	31 630	31 630	31 630	31 630	31 629	379 553	391 918	405 940
Vote 12 - Centlec		365 080	365 080	365 080	365 080	365 080	365 080	365 080	365 080	365 080	365 080	365 080	365 077	4 380 959	4 673 503	4 920 663
Vote 13 - N/A1		238	238	238	238	238	238	238	238	238	238	238	(2 617)	-	-	-
Vote 14 - N/A		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	2 855	3 005	3 125
Total Expenditure by Vote		939 576	939 576	939 576	939 576	939 576	939 576	939 576	939 576	939 576	939 576	939 576	939 555	11 274 887	11 675 308	12 183 205
Surplus/(Deficit) before assoc.		125 224	125 224	125 224	125 224	125 224	125 224	125 224	125 224	125 224	125 224	125 224	125 246	1 502 711	1 721 463	1 883 577
Income Tax		(33 286)	(33 286)	(33 286)	(33 286)	(33 286)	(33 286)	(33 286)	(33 286)	(33 286)	(33 286)	(33 286)	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	91 938	91 938	91 938	91 938	91 938	91 938	91 938	91 938	91 938	91 938	91 938	611 388	1 622 711	1 841 463	2 003 577

Consolidated budgeted monthly revenue and expenditure (functional classification) (SA27)

MAN Mangaung - Supporting Table SA27 Consolidated budgeted monthly revenue and expenditure (functional classification)

R thousand	Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework			
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	
Revenue - Functional	Governance and administration																	
	Executive and council	304 960	304 960	304 960	304 960	304 960	304 960	304 960	304 960	304 960	304 960	304 960	304 960	304 960	3 659 519	3 708 242	3 806 778	
	Finance and administration	88	88	88	88	88	88	88	88	88	88	88	88	88	1 051	1 098	1 126	
	Internal audit	304 872	304 872	304 872	304 872	304 872	304 872	304 872	304 872	304 872	304 872	304 872	304 872	304 872	3 658 468	3 707 143	3 805 652	
	Community and public safety																	
	Community and social services	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	52 822	55 199	56 579	
	Sport and recreation	312	312	312	312	312	312	312	312	312	312	312	312	312	3 748	3 916	4 014	
	Public safety	255	255	255	255	255	255	255	255	255	255	255	255	255	3 062	3 200	3 280	
	Housing	2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 169	2 169	26 025	27 196	27 876	
	Health	1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 662	19 946	20 843	21 364	
	Economic and environmental services																	
	Planning and development	3	3	3	3	3	3	3	3	3	3	3	3	3	42	44	45	
	Road transport	3 067	3 067	3 067	3 067	3 067	3 067	3 067	3 067	3 067	3 067	3 067	3 067	3 067	36 799	85 227	193 141	
	Environmental protection	1 514	1 514	1 514	1 514	1 514	1 514	1 514	1 514	1 514	1 514	1 514	1 514	1 514	18 774	18 992	19 466	
	Trading services																	
	Energy sources	1 505	1 505	1 505	1 505	1 505	1 505	1 505	1 505	1 505	1 505	1 505	1 505	1 505	18 062	65 646	173 071	
	Water management	47	47	47	47	47	47	47	47	47	47	47	47	47	563	589	603	
	Waste water management	742 367	742 367	742 367	742 367	742 367	742 367	742 367	742 367	742 367	742 367	742 367	742 367	742 367	8 908 404	9 428 047	9 890 226	
	Waste management	392 277	392 277	392 277	392 277	392 277	392 277	392 277	392 277	392 277	392 277	392 277	392 277	392 277	4 707 325	4 995 362	5 208 022	
	Other	213 730	213 730	213 730	213 730	213 730	213 730	213 730	213 730	213 730	213 730	213 730	213 730	213 730	2 564 754	2 715 150	2 907 269	
	Total Revenue - Functional	46 971	46 971	46 971	46 971	46 971	46 971	46 971	46 971	46 971	46 971	46 971	46 971	46 971	89 389	1 072 670	1 161 451	
		4	4	4	4	4	4	4	4	4	4	4	4	4	563 654	592 555	613 485	
	1 054 800	1 054 800	1 054 800	1 054 800	1 054 800	1 054 800	1 054 800	1 054 800	1 054 800	1 054 800	1 054 800	1 054 800	1 054 800	12 657 598	13 276 771	13 946 782		
Expenditure - Functional	Governance and administration																	
	Executive and council	151 238	151 238	151 238	151 238	151 238	151 238	151 238	151 238	151 238	151 238	151 238	151 238	151 238	1 814 851	1 862 679	1 949 351	
	Finance and administration	15 687	15 687	15 687	15 687	15 687	15 687	15 687	15 687	15 687	15 687	15 687	15 687	15 686	188 247	199 047	206 311	
	Internal audit	135 551	135 551	135 551	135 551	135 551	135 551	135 551	135 551	135 551	135 551	135 551	135 551	135 543	1 626 605	1 663 632	1 743 040	
	Community and public safety																	
	Community and social services	69 668	69 668	69 668	69 668	69 668	69 668	69 668	69 668	69 668	69 668	69 668	69 668	69 663	836 007	863 382	896 120	
	Sport and recreation	4 870	4 870	4 870	4 870	4 870	4 870	4 870	4 870	4 870	4 870	4 870	4 870	4 869	58 436	61 337	63 648	
	Public safety	21 680	21 680	21 680	21 680	21 680	21 680	21 680	21 680	21 680	21 680	21 680	21 680	21 679	260 163	263 635	274 569	
	Housing	28 230	28 230	28 230	28 230	28 230	28 230	28 230	28 230	28 230	28 230	28 230	28 230	28 229	338 761	348 804	360 698	
	Health	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 479	13 478	161 742	171 827	178 740	
	Economic and environmental services																	
	Planning and development	1 409	1 409	1 409	1 409	1 409	1 409	1 409	1 409	1 409	1 409	1 409	1 409	1 408	16 904	17 778	18 465	
	Road transport	51 633	51 633	51 633	51 633	51 633	51 633	51 633	51 633	51 633	51 633	51 633	51 633	51 630	619 589	621 246	685 862	
	Environmental protection	6 205	6 205	6 205	6 205	6 205	6 205	6 205	6 205	6 205	6 205	6 205	6 205	6 204	74 455	65 719	68 258	
	Trading services	42 504	42 504	42 504	42 504	42 504	42 504	42 504	42 504	42 504	42 504	42 504	42 504	42 503	510 053	518 648	579 112	
	Energy sources	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 923	35 082	36 879	38 493	
	Water management	666 594	666 594	666 594	666 594	666 594	666 594	666 594	666 594	666 594	666 594	666 594	666 594	666 588	7 999 121	8 322 402	8 646 045	
	Waste water management	365 080	365 080	365 080	365 080	365 080	365 080	365 080	365 080	365 080	365 080	365 080	365 080	365 077	4 380 959	4 673 503	4 920 683	
	Waste management	214 300	214 300	214 300	214 300	214 300	214 300	214 300	214 300	214 300	214 300	214 300	214 300	214 299	2 571 597	2 576 644	2 606 875	
	Other	51 708	51 708	51 708	51 708	51 708	51 708	51 708	51 708	51 708	51 708	51 708	51 708	51 707	620 493	621 426	650 682	
	Total Expenditure - Functional	35 506	35 506	35 506	35 506	35 506	35 506	35 506	35 506	35 506	35 506	35 506	35 506	35 505	426 072	450 829	467 805	
		443	443	443	443	443	443	443	443	443	443	443	443	443	5 598	5 986	6 305	
	939 576	939 576	939 576	939 576	939 576	939 576	939 576	939 576	939 576	939 576	939 576	939 576	939 553	11 274 887	11 675 308	12 183 205		
Surplus/(Deficit) before assoc.	Intercompany/Parent subsidiary transactions																	
	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 248	1 382 711	1 601 463	1 763 577		
1	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	115 224	1 502 711	1 721 463	1 883 577		

Consolidated budgeted monthly capital expenditure (SA28)

MAN Mangaung - Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)

R thousand	Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework		
			July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
1	Multi-year expenditure to be appropriated																
	Vote 01 - City Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 02 - Executive And Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 03 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	11 000	-	18 000
	Vote 04 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	42 629	-	-
	Vote 05 - Community And Social Development		-	-	-	-	-	-	-	-	-	-	-	-	48 076	69 324	60 843
	Vote 06 - Planning And Human Settlement		-	-	-	-	-	-	-	-	-	-	-	-	15 570	9 975	7 000
	Vote 07 - Economic And Rural Development		-	-	-	-	-	-	-	-	-	-	-	-	14 025	11 856	12 695
	Vote 08 - Roads And Transport		-	-	-	-	-	-	-	-	-	-	-	-	336 272	334 320	340 137
	Vote 09 - Water And Sanitation		-	-	-	-	-	-	-	-	-	-	-	-	497 817	535 574	524 641
	Vote 10 - Municipal General		-	-	-	-	-	-	-	-	-	-	-	-	2 921	1 059	1 104
	Vote 11 - Public Safety And Security		-	-	-	-	-	-	-	-	-	-	-	-	4 900	2 560	2 630
	Vote 12 - Centlec		-	-	-	-	-	-	-	-	-	-	-	-	321 660	316 411	281 481
	Vote 13 - N/A1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 14 - N/A		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Capital multi-year expenditure sub-total		-	-	-	-	-	-	-	-	-	-	-	-	1 283 870	1 292 077	1 248 531
	Single-year expenditure to be appropriated																
	Vote 01 - City Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 02 - Executive And Council		42	42	42	42	42	42	42	42	42	42	42	42	500	550	600
	Vote 03 - Corporate Services		83	83	83	83	83	83	83	83	83	83	83	83	1 000	-	-
	Vote 04 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 05 - Community And Social Development		1 067	1 067	1 067	1 067	1 067	1 067	1 067	1 067	1 067	1 067	1 067	1 067	12 800	19 600	47 747
	Vote 06 - Planning And Human Settlement		3 311	3 311	3 311	3 311	3 311	3 311	3 311	3 311	3 311	3 311	3 311	3 311	39 728	1 000	26 000
	Vote 07 - Economic And Rural Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 08 - Roads And Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 09 - Water And Sanitation		41 485	41 485	41 485	41 485	41 485	41 485	41 485	41 485	41 485	41 485	41 485	(456 332)	-	-	-
	Vote 10 - Municipal General		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 11 - Public Safety And Security		508	508	508	508	508	508	508	508	508	508	508	507	6 090	5 339	5 168
	Vote 12 - Centlec		26 805	26 805	26 805	26 805	26 805	26 805	26 805	26 805	26 805	26 805	26 805	(294 855)	-	-	-
	Vote 13 - N/A1		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 14 - N/A		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Capital single-year expenditure sub-total		73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	60 118	26 489	79 515
2	Total Capital Expenditure		73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	1 343 987	1 318 567	1 328 045

Consolidated budgeted monthly capital expenditure (standard classification) (SA29)

MAN Mangaung - Supporting Table SA29 Consolidated budgeted monthly capital expenditure (functional classification)

R thousand	Ref	Description	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework		
			July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
1		Capital Expenditure - Functional															
		Governance and administration	2 940	2 940	2 940	2 940	2 940	2 940	2 940	2 940	2 940	2 940	2 940	2 939	35 275	22 722	14 400
		Executive and council	1 127	1 127	1 127	1 127	1 127	1 127	1 127	1 127	1 127	1 127	1 127	1 127	13 525	11 406	12 295
		Finance and administration	1 812	1 812	1 812	1 812	1 812	1 812	1 812	1 812	1 812	1 812	1 812	1 812	21 750	11 317	2 104
		Internal audit															
		Community and public safety	6 066	6 066	6 066	6 066	6 066	6 066	6 066	6 066	6 066	6 066	6 066	6 066	72 790	58 552	83 257
		Community and social services	833	833	833	833	833	833	833	833	833	833	833	833	10 000	3 542	
		Sport and recreation	4 275	4 275	4 275	4 275	4 275	4 275	4 275	4 275	4 275	4 275	4 275	4 275	51 300	47 110	50 459
		Public safety	916	916	916	916	916	916	916	916	916	916	916	916	10 990	7 899	7 798
		Housing															25 000
		Health	42	42	42	42	42	42	42	42	42	42	42	42	500		
		Economic and environmental services	32 906	32 906	32 906	32 906	32 906	32 906	32 906	32 906	32 906	32 906	32 906	32 906	394 870	336 636	349 037
		Planning and development	4 608	4 608	4 608	4 608	4 608	4 608	4 608	4 608	4 608	4 608	4 608	4 608	55 298	10 975	8 000
		Road transport	27 923	27 923	27 923	27 923	27 923	27 923	27 923	27 923	27 923	27 923	27 923	27 923	335 072	325 062	340 137
		Trading services	375	375	375	375	375	375	375	375	375	375	375	375	4 500	600	900
		Environmental protection	70 088	70 088	70 088	70 088	70 088	70 088	70 088	70 088	70 088	70 088	70 088	70 087	841 053	900 656	881 353
		Energy sources	26 805	26 805	26 805	26 805	26 805	26 805	26 805	26 805	26 805	26 805	26 805	26 805	321 660	316 411	281 481
		Water management	15 996	15 996	15 996	15 996	15 996	15 996	15 996	15 996	15 996	15 996	15 996	15 996	191 948	194 729	199 581
		Waste water management	25 489	25 489	25 489	25 489	25 489	25 489	25 489	25 489	25 489	25 489	25 489	25 489	305 869	340 845	325 060
		Waste management	1 798	1 798	1 798	1 798	1 798	1 798	1 798	1 798	1 798	1 798	1 798	1 798	21 576	48 672	75 231
2		Other															
		Total Capital Expenditure - Functional	111 999	111 999	111 999	111 999	111 999	111 999	111 999	111 999	111 999	111 999	111 999	111 999	1 343 987	1 318 567	1 328 045
		Funded by:															
		National Government	83 397	83 397	83 397	83 397	83 397	83 397	83 397	83 397	83 397	83 397	83 397	83 397		1 012 165	1 054 268
		Provincial Government															
		District Municipality															
		Transfers and subsidies - capital (monetary allocations) (Nat/ Prov. Depatmn Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)															
		Transfers recognised - capital	1 208	1 208	1 208	1 208	1 208	1 208	1 208	1 208	1 208	1 208	1 208	1 208	14 500	15 153	15 531
		Borrowing															
		Internally generated funds	27 393	27 393	27 393	27 393	27 393	27 393	27 393	27 393	27 393	27 393	27 393	27 393	328 719	291 249	258 246
		Total Capital Funding	111 999	111 999	111 999	111 999	111 999	111 999	111 999	111 999	111 999	111 999	111 999	111 999	1 343 987	1 318 567	1 328 045

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MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK
Council Resolution No 103.2 – 27/05/2025

6.7 ANNUAL BUDGETS AND SERVICE DELIVERY AGREEMENTS – ENTITY

The entity

- (i) The municipality has established a municipal entity called CENTLEC (SOC);
- (ii) The municipality has entered into Service Delivery Agreement (SDA) and Sale of Business (SOB) Agreement and the SDA specifically provide that the said agreement will “**commence on the Effective Date and shall subject to clause 42 endure indefinitely unless superseded by national legislation**” **SDA clause 8**;
- (iii) Electricity services to community’s reticulation of electricity and maintenance of electricity infrastructure;
- (iv) The Service Delivery Agreement (SDA) duration is still in force.

(b) Aggregated annual budget of the entity **SA31**:

MAN Mangaung - Supporting Table SA31 Aggregated entity budget

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R million										
Financial Performance										
Property rates		2875538593	2994268073	3280141637	4145551676	4277511946	4277511946	4418012048	4698832125	5036242116
Service charges		24916493,34	26792403,15	41379179,48	43082337	124161008	124161008	50784304	53069598	54396337
Investment revenue		0	0	7391304,35	0	0	0	0	0	0
Transfer and subsidies - Operational		22057062,86	49265424,19	20814590,37	32989584	161929877	161929877	155286672	156472258	28220266
Other own revenue										
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)		44261641,98	57067862,99	49105295,24	50617900	78617900	78617900	83242448	86988358	89163067
Total Revenue (excluding capital transfers and contributions)		2 966 774	3 127 394	3 398 832	4 272 241	4 642 221	4 642 221	4 707 325	4 995 362	5 208 022
Employee costs		424687737,6	449740544,4	502084873,3	505136993	505136993	505136993	593896125	624699521	650700626
Remuneration of Board Members										
Depreciation and amortisation		215689182,4	269296579,1	243856671,6	93500000	93500000	93500000	141717295	216325031	221540601
Interest		11082012,99	50287049,32	253569	55645	55645	55645	58093	60708	62225
Inventory consumed and bulk purchases		1938632486	2272253852	3098689382	2643601022	2908832223	2908832223	3085005037	3250846136	3451317617
Transfers and subsidies		7243695,06	0	4992388,59	0	0	0	0	0	0
Other expenditure		420993023,4	358319036,3	473555703,5	747512041	787650094	787650094	560282570	581571591	597062162
Total Expenditure		3 018 328	3 399 897	4 323 433	3 989 806	4 295 175	4 295 175	4 380 959	4 673 503	4 920 683
Surplus/(Deficit)		(51 554)	(272 503)	(924 601)	282 436	347 046	347 046	326 366	321 859	287 339
Capital expenditure & funds sources										
Capital expenditure										
Transfers recognised - capital		36044867,67	54737818,4	86080944,15	49060000	77060000	77060000	81500000	85167500	87296688
Borrowing										
Internally generated funds		122710920	95847359,4	70589902,71	229784800	266584800	266584800	240160000	231243200	194183896
Total sources		158 756	150 585	156 671	278 845	343 645	343 645	321 660	316 411	281 481
Financial position										
Total current assets		5908494852	4898385550	4378533166	1199621588	1199621588	1199621588	1543995445	2540354709	3318133555
Total non current assets		7993408808	7617989870	7543058503	6576545366	6641345366	6641345366	6648885211	6957530701	7222257736
Total current liabilities		-2336918596	-2872433297	-3191135251	0	0	0	0	0	0
Total non current liabilities		-1478444818	-1362474670	-1362728239	-257880585	-257880585	-257880585	-128940292	0	0
Community wealth/Equity		-4907695231	-4227517570	-3103200817	-282435796	-282435796	-282435796	-326366352	-321859352	0
Cash flows										
Net cash from (used) operating		3057404756	3364734698	5096273665	0	0	0	0	0	0
Net cash from (used) investing		1990491548	1556516534	1311148534	0	0	0	0	0	0
Net cash from (used) financing		0	98683,3	-58437,8	0	0	0	0	0	0
Cash/cash equivalents at the year end										

(c) An executive summary of the annual budget and multi-year business plan:

- (i) The municipal entity is wholly owned by the City;
- (ii) The City has established Board of Directors who will oversees the activities of the municipal entity on the behalf of the municipality. A political and administrative representative of the City serve on the Board of Directors of Centlec to protect the interest of the Shareholder;
- (iii) The primary mandate of the municipal entity is to provide electricity services to community’s reticulate electricity and maintain the electricity infrastructure;
- (iv) The funding of the municipal entity is derived from the sale of electricity and grant received from the Department of Energy for Electrification.
- (v) In the main the SDA provide for rendering of electricity services in compliance with the requirement of the National Electricity Regulator as stipulated in the Distribution and Generation Licences. On an annual

basis the services discharged by the municipal entity are articulated in the Business Plan of the Entity that is approved by the Board of Directors and subsequently by the municipality. The City and the municipal entity have embarked on the process of reviewing the SDA and SOB;

(vi) The City reviews and provide comments on the Annual Business Plan of the entity and ensures that critical matters related to electricity services maintenance of infrastructure and compliance to licenses conditions are captured in the IDP of the City;

(vii) The municipal entity has played a critical role in installing electricity infrastructure to anchor future development maintenance of electricity infrastructure to ensure reliable electricity supply efficient provision of electricity services and extending and connecting households to electricity services

6.8 CAPITAL EXPENDITURE DETAILS

Details of Capital Expenditure by class and sub-class areas are provided below in Tables SA 34

MAN Mangaung - Supporting Table SA34a Consolidated capital expenditure on new assets by asset class

Description		Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Capital expenditure on new assets by Asset Class/Sub-class											
Infrastructure			443 155	361 486	261 326	655 454	520 242	520 242	455 502	528 398	578 748
Roads Infrastructure			224 782	152 562	103 218	133 520	91 146	91 146	190 158	201 635	208 610
Roads			–	–	–	–	–	–	–	–	–
Road Structures			224 782	152 562	103 218	133 520	91 146	91 146	190 158	199 379	205 874
Road Furniture			–	–	–	–	–	–	–	2 256	2 735
Capital Spares			–	–	–	–	–	–	–	–	–
Storm water Infrastructure			–	–	–	2 196	–	–	197	6 174	13 674
Drainage Collection			–	–	–	2 196	–	–	197	6 174	13 674
Storm water Conveyance			–	–	–	–	–	–	–	–	–
Attenuation			–	–	–	–	–	–	–	–	–
Electrical Infrastructure			83 047	104 390	113 066	176 410	218 910	218 910	182 320	198 368	192 838
Power Plants			–	–	–	5 000	5 000	5 000	2 250	2 351	2 410
HV Substations			38	–	101	14 300	15 800	15 800	7 050	12 032	7 226
HV Switching Station			–	–	–	–	–	–	–	–	–
HV Transmission Conductors			–	–	–	–	–	–	–	–	–
MV Substations			–	–	–	–	–	–	–	–	–
MV Switching Stations			–	–	–	–	–	–	–	–	–
MV Networks			14 715	2 777	1 124	6 000	6 000	6 000	4 050	4 232	4 338
LV Networks			68 294	101 613	111 841	151 110	192 110	192 110	168 970	179 752	178 863
Capital Spares			–	–	–	–	–	–	–	–	–
Water Supply Infrastructure			52 572	48 055	22 255	119 430	61 328	61 328	45 250	47 505	57 542
Dams and Weirs			–	–	–	–	–	–	–	–	–
Boreholes			–	–	–	–	–	–	–	–	–
Reservoirs			–	–	–	–	–	–	–	–	–
Pump Stations			–	–	–	–	–	–	–	–	–
Water Treatment Works			–	–	–	–	–	–	–	–	–
Bulk Mains			22 277	15 563	8 094	25 208	6 391	6 391	1 250	608	–
Distribution			30 295	32 492	14 161	94 222	54 937	54 937	44 000	46 897	57 542
Distribution Points			–	–	–	–	–	–	–	–	–
PRV Stations			–	–	–	–	–	–	–	–	–
Capital Spares			–	–	–	–	–	–	–	–	–
Sanitation Infrastructure			73 524	56 478	17 076	172 225	118 129	118 129	13 000	26 044	30 853
Pump Station			–	–	–	–	–	–	–	–	–
Reticulation			73 524	56 478	17 076	172 225	118 129	118 129	13 000	26 044	30 853
Waste Water Treatment Works			–	–	–	–	–	–	–	–	–
Outfall Sewers			–	–	–	–	–	–	–	–	–
Toilet Facilities			–	–	–	–	–	–	–	–	–
Capital Spares			–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure			9 231	–	5 709	51 672	30 730	30 730	24 576	48 672	75 231
Landfill Sites			9 231	–	5 709	51 672	30 730	30 730	24 576	48 672	75 231
Waste Transfer Stations			–	–	–	–	–	–	–	–	–
Waste Processing Facilities			–	–	–	–	–	–	–	–	–
Waste Drop-off Points			–	–	–	–	–	–	–	–	–
Waste Separation Facilities			–	–	–	–	–	–	–	–	–
Electricity Generation Facilities			–	–	–	–	–	–	–	–	–

Capital Spares									
Rail Infrastructure	-	-	-	-	-	-	-	-	-
Rail Lines									
Rail Structures									
Rail Furniture									
Drainage Collection									
Storm water Conveyance									
Attenuation									
MV Substations									
LV Networks									
Capital Spares									
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Sand Pumps									
Piers									
Revetments									
Promenades									
Capital Spares									
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Data Centres									
Core Layers									
Distribution Layers									
Capital Spares									
Community Assets	39 199	39 770	27 643	133 903	132 592	132 592	125 923	85 226	66 432
Community Facilities	34 613	37 529	27 643	133 103	131 211	131 211	119 923	68 826	49 932
Halls									
Centres	17 553	26 857	5 561	62 300	65 266	65 266	38 901	25 044	14 778
Crèches									
Clinics/Care Centres	-	-	-	-	-	-	4 500	600	900
Fire/Ambulance Stations	880	4 045	2 053	20 000	20 000	20 000	17 000	-	-
Testing Stations									
Museums									
Galleries									
Theatres									
Libraries									
Cemeteries/Crematoria	3 068	-	3 055	10 000	10 000	10 000	11 000	3 542	-
Police									
Parks	-	-	-	3 000	2 067	2 067	3 500	3 000	-
Public Open Space	13 034	5 299	14 281	36 053	32 128	32 128	36 272	24 641	19 754
Nature Reserves	-	1 228	1 217	1 750	1 750	1 750	8 750	12 000	14 500
Public Ablution Facilities	78	-	-	-	-	-	-	-	-
Markets	-	100	1 475	-	-	-	-	-	-
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares									
Sport and Recreation Facilities	4 586	2 241	-	800	1 381	1 381	6 000	16 400	16 500
Indoor Facilities									
Outdoor Facilities	4 586	2 241	-	800	1 381	1 381	6 000	16 400	16 500
Capital Spares									
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments									
Historic Buildings									
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas									
Other Heritage									
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property									
Unimproved Property									
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property									
Unimproved Property									
Other assets	-	-	-	-	-	-	-	-	-
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										
Licences and Rights	-	-	-	-	-	-	-	-	-	
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications	-	-	-	-	-	-	-	-	-	
Load Settlement Software Applications										
Unspecified										
Computer Equipment	20 732	7 795	17 157	24 946	23 547	23 547	65 946	22 018	8 607	
Computer Equipment	20 732	7 795	17 157	24 946	23 547	23 547	65 946	22 018	8 607	
Furniture and Office Equipment	365	2 209	5 669	11 318	12 402	12 402	2 800	1 732	1 750	
Furniture and Office Equipment	365	2 209	5 669	11 318	12 402	12 402	2 800	1 732	1 750	
Machinery and Equipment	1 428	4 463	2 607	17 107	17 991	17 991	17 611	7 198	6 872	
Machinery and Equipment	1 428	4 463	2 607	17 107	17 991	17 991	17 611	7 198	6 872	
Transport Assets	148 803	179 154	99 248	228 160	104 489	104 489	151 517	137 273	124 398	
Transport Assets	148 803	179 154	99 248	228 160	104 489	104 489	151 517	137 273	124 398	
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 Capital Expenditure on new assets	1	653 681	594 876	413 649	1 070 888	811 262	811 262	819 299	781 844	786 807

MAN Mangaung - Supporting Table SA34b Consolidated capital expenditure on the renewal of existing assets by asset class

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Capital expenditure on renewal of existing assets by Asset Class/Sub-class	1									
Infrastructure		180 268	86 457	106 044	228 367	262 043	262 043	478 707	499 270	499 339
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		9 789	4 306	17 463	21 705	31 205	31 205	36 140	37 766	38 710
Power Plants										
HV Substations		-	2 557	1 318	1 500	1 500	1 500	1 800	1 881	1 928
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks		8 673	575	14 083	15 000	20 000	20 000	27 950	29 208	29 938

LV Networks	1 116	1 174	2 062	5 205	9 705	9 705	6 390	6 678	6 844
Capital Spares									
Water Supply Infrastructure	101 365	20 662	76 309	131 252	123 510	123 510	206 679	163 784	171 545
Dams and Weirs									
Boreholes									
Reservoirs									
Pump Stations	-	-	-	-	-	-	-	-	-
Water Treatment Works	5 583	-	-	-	-	-	2 000	5 000	15 000
Bulk Mains	95 782	20 662	76 309	131 252	123 510	123 510	145 698	137 224	137 039
Distribution	-	-	-	-	-	-	58 981	21 560	19 506
Distribution Points									
PRV Stations									
Capital Spares									
Sanitation Infrastructure	69 114	61 489	12 272	75 410	107 328	107 328	235 888	297 720	289 084
Pump Station									
Reticulation	24 720	4 219	9 847	63 410	93 518	93 518	230 888	287 720	239 084
Waste Water Treatment Works	44 394	57 270	2 425	12 000	13 810	13 810	5 000	10 000	50 000
Outfall Sewers									
Toilet Facilities									
Capital Spares									
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-
Landfill Sites									
Waste Transfer Stations									
Waste Processing Facilities									
Waste Drop-off Points									
Waste Separation Facilities									
Electricity Generation Facilities									
Capital Spares									
Rail Infrastructure	-	-	-	-	-	-	-	-	-
Rail Lines									
Rail Structures									
Rail Furniture									
Drainage Collection									
Storm water Conveyance									
Attenuation									
MV Substations									
LV Networks									
Capital Spares									
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Sand Pumps									
Piers									
Revetments									
Promenades									
Capital Spares									
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Data Centres									
Core Layers									
Distribution Layers									
Capital Spares									
Community Assets	153	203	960	5 512	31 312	31 312	13 500	8 000	13 000
Community Facilities	153	203	960	3 512	30 812	30 812	10 000	5 000	10 000
Halls									
Centres									
Crèches									
Clinics/Care Centres									
Fire/Ambulance Stations									
Testing Stations									
Museums									
Galleries									
Theatres									
Libraries									
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Police									
Parks									
Public Open Space	-	-	242	512	26 312	26 312	-	-	-
Nature Reserves									
Public Ablution Facilities									
Markets	-	203	300	2 000	2 000	2 000	10 000	5 000	10 000
Stalls	153	-	417	1 000	2 500	2 500	-	-	-
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares									
Sport and Recreation Facilities	-	-	-	2 000	500	500	3 500	3 000	3 000
Indoor Facilities	-	-	-	2 000	500	500	2 000	3 000	3 000

Outdoor Facilities	-	-	-	-	-	-	1 500	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Heritage assets	-	-	-	-	-	-	-	-	-	
Monuments	-	-	-	-	-	-	-	-	-	
Historic Buildings	-	-	-	-	-	-	-	-	-	
Works of Art	-	-	-	-	-	-	-	-	-	
Conservation Areas	-	-	-	-	-	-	-	-	-	
Other Heritage	-	-	-	-	-	-	-	-	-	
Investment properties	-	-	-	-	-	-	-	-	-	
Revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property	-	-	-	-	-	-	-	-	-	
Unimproved Property	-	-	-	-	-	-	-	-	-	
Non-revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property	-	-	-	-	-	-	-	-	-	
Unimproved Property	-	-	-	-	-	-	-	-	-	
Other assets	-	49	536	2 000	2 000	2 000	7 500	5 000	5 000	
Operational Buildings	-	49	536	2 000	2 000	2 000	7 500	5 000	5 000	
Municipal Offices	-	49	536	2 000	2 000	2 000	7 500	5 000	5 000	
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	
Building Plan Offices	-	-	-	-	-	-	-	-	-	
Workshops	-	-	-	-	-	-	-	-	-	
Yards	-	-	-	-	-	-	-	-	-	
Stores	-	-	-	-	-	-	-	-	-	
Laboratories	-	-	-	-	-	-	-	-	-	
Training Centres	-	-	-	-	-	-	-	-	-	
Manufacturing Plant	-	-	-	-	-	-	-	-	-	
Depots	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Housing	-	-	-	-	-	-	-	-	-	
Staff Housing	-	-	-	-	-	-	-	-	-	
Social Housing	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Intangible Assets	-	-	-	-	-	-	-	-	-	
Servitudes	-	-	-	-	-	-	-	-	-	
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	2 284	1 881	2 121	3 100	3 000	3 000	500	-	2 000	
Machinery and Equipment	2 284	1 881	2 121	3 100	3 000	3 000	500	-	2 000	
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 Capital Expenditure on renewal of existing assets	1	182 704	88 590	109 661	238 979	298 355	298 355	500 207	512 270	519 339
Renewal of Existing Assets as % of total capex		21,4%	12,7%	19,1%	17,8%	26,2%	26,2%	37,2%	38,9%	39,1%
Renewal of Existing Assets as % of deprecn"		20,1%	10,0%	12,9%	56,8%	44,2%	44,2%	66,5%	59,8%	58,1%

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		459 244	397 329	395 432	306 410	328 777	328 777	376 244	356 937	374 350
Roads Infrastructure		71 052	75 859	79 583	82 113	72 226	72 226	88 733	86 264	90 224
Roads		–	–	–	–	–	–	–	–	–
Road Structures		67 780	70 645	73 806	76 387	66 500	66 500	75 653	79 856	83 535
Road Furniture		3 272	5 214	5 777	5 726	5 726	5 726	13 080	6 408	6 689
Capital Spares										
Storm water Infrastructure		3 279	3 372	–	431	431	431	88	94	99
Drainage Collection		3 279	3 372	–	431	431	431	88	94	99
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		98 761	100 935	109 198	6 121	11 651	11 651	9 814	10 328	10 738
Power Plants		91 026	93 382	100 445	2 687	8 367	8 367	6 422	6 759	7 030
HV Substations		7 285	7 379	8 148	3 284	3 284	3 284	3 241	3 412	3 548
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks		450	175	605	150	–	–	150	157	161
Capital Spares										
Water Supply Infrastructure		131 258	109 135	120 417	133 380	139 642	139 642	167 417	152 223	159 630
Dams and Weirs										
Boreholes		–	–	19	315	115	115	334	354	375
Reservoirs										
Pump Stations										
Water Treatment Works		95 930	98 291	101 376	89 566	86 264	86 264	116 412	118 400	124 437
Bulk Mains		35 328	10 818	17 163	38 500	49 563	49 563	35 672	32 292	33 790
Distribution		–	–	–	–	–	–	–	–	–
Distribution Points		–	26	1 859	5 000	3 700	3 700	15 000	1 177	1 028
PRV Stations										
Capital Spares										
Sanitation Infrastructure		154 893	108 028	86 233	84 359	104 822	104 822	110 162	108 007	113 638
Pump Station										
Reticulation		765	–	–	424	424	424	449	476	504
Waste Water Treatment Works		143 957	92 601	69 109	75 455	74 726	74 726	105 239	103 189	108 971
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		10 172	15 428	17 124	8 480	29 672	29 672	4 474	4 342	4 163
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		1	–	–	6	6	6	30	21	21
Data Centres		1	–	–	6	6	6	30	21	21
Core Layers		–	–	–	–	–	–	–	–	–

Distribution Layers									
Capital Spares									
Community Assets	934	650	1 665	626	2 026	2 026	4 653	5 083	5 540
Community Facilities	-	-	-	-	-	-	4 000	4 400	4 840
Halls	-	-	-	-	-	-	4 000	4 400	4 840
Centres									
Crèches									
Clinics/Care Centres									
Fire/Ambulance Stations									
Testing Stations									
Museums									
Galleries									
Theatres									
Libraries									
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Police									
Parks	-	-	-	-	-	-	-	-	-
Public Open Space									
Nature Reserves									
Public Ablution Facilities									
Markets									
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares									
Sport and Recreation Facilities	934	650	1 665	626	2 026	2 026	653	683	700
Indoor Facilities									
Outdoor Facilities	934	650	1 665	626	2 026	2 026	653	683	700
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	68 372	67 321	74 819	85 937	92 125	92 125	119 318	125 062	129 211
Operational Buildings	68 372	67 321	74 819	85 937	92 125	92 125	119 318	125 062	129 211
Municipal Offices	68 372	67 321	74 819	85 937	92 125	92 125	119 318	125 062	129 211
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									
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	10 046	9 804	8 831	18 740	21 972	21 972	33 727	37 412	38 416	
Furniture and Office Equipment	10 046	9 804	8 831	18 740	21 972	21 972	33 727	37 412	38 416	
Machinery and Equipment	14 458	15 816	31 031	44 293	42 763	42 763	8 025	8 334	8 573	
Machinery and Equipment	14 458	15 816	31 031	44 293	42 763	42 763	8 025	8 334	8 573	
Transport Assets	73 919	78 026	83 675	87 143	111 619	111 619	90 159	94 828	98 653	
Transport Assets	73 919	78 026	83 675	87 143	111 619	111 619	90 159	94 828	98 653	
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	626 973	568 946	595 452	543 148	599 281	599 281	632 126	627 655	654 743

R&M as a % of PPE & Investment Property	3,3%	3,1%	3,3%	2,5%	2,7%	2,7%	3,0%	2,9%	2,9%
R&M as % Operating Expenditure	6.6%	6.1%	5.5%	5.6%	5.7%	5.7%	6.7%	5.6%	5.7%

MAN Mangaung - Supporting Table SA34d Consolidated Depreciation by asset class

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Depreciation by Asset Class/Sub-class	1									
Infrastructure		678 659	666 357	696 661	316 286	521 488	521 488	576 856	651 124	679 912
Roads Infrastructure		271 692	258 904	248 031	134 692	235 981	235 981	247 780	260 169	273 177
Roads		271 692	258 904	248 031	120 894	235 981	235 981	247 780	260 169	273 177
Road Structures		-	-	-	13 469	-	-	-	-	-
Road Furniture		-	-	-	329	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	7 556	-	-	-	-	-
Drainage Collection		-	-	-	7 556	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		187 925	204 521	215 625	62 902	62 902	62 902	95 340	145 532	149 041
Power Plants		-	4 700	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		1 182	(3 525)	12 254	-	-	-	-	-	-
LV Networks		186 742	203 345	203 371	62 902	62 902	62 902	95 340	145 532	149 041
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		95 343	85 867	99 388	45 748	89 564	89 564	94 042	98 744	103 681
Dams and Weirs		-	-	13 407	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		73 492	71 251	72 155	37 535	75 162	75 162	78 920	82 866	87 009
Distribution		-	-	-	8 213	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		21 852	14 616	13 826	-	14 402	14 402	15 122	15 878	16 672
Sanitation Infrastructure		123 699	122 653	119 981	59 952	124 980	124 980	131 229	137 790	144 680
Pump Station		-	-	-	-	-	-	-	-	-

Reticulation	123 699	122 653	119 981	59 952	124 980	124 980	131 229	137 790	144 680
Waste Water Treatment Works	-	-	-	-	-	-	-	-	-
Outfall Sewers	-	-	-	-	-	-	-	-	-
Toilet Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	(5 588)	13 637	5 092	8 062	8 062	8 465	8 889	9 333
Landfill Sites	-	(5 588)	13 637	5 092	8 062	8 062	8 465	8 889	9 333
Waste Transfer Stations	-	-	-	-	-	-	-	-	-
Waste Processing Facilities	-	-	-	-	-	-	-	-	-
Waste Drop-off Points	-	-	-	-	-	-	-	-	-
Waste Separation Facilities	-	-	-	-	-	-	-	-	-
Electricity Generation Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Rail Infrastructure	-	-	-	345	-	-	-	-	-
Rail Lines	-	-	-	-	-	-	-	-	-
Rail Structures	-	-	-	345	-	-	-	-	-
Rail Furniture	-	-	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-	-	-
Storm water Conveyance	-	-	-	-	-	-	-	-	-
Attenuation	-	-	-	-	-	-	-	-	-
MV Substations	-	-	-	-	-	-	-	-	-
LV Networks	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Sand Pumps	-	-	-	-	-	-	-	-	-
Piers	-	-	-	-	-	-	-	-	-
Revetments	-	-	-	-	-	-	-	-	-
Promenades	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Data Centres	-	-	-	-	-	-	-	-	-
Core Layers	-	-	-	-	-	-	-	-	-
Distribution Layers	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Community Assets	54 252	52 074	38 588	38 577	38 254	38 254	41 008	44 363	46 473
Community Facilities	18 117	17 327	15 438	23 808	14 139	14 139	15 687	17 776	18 557
Halls	3 269	3 566	3 566	1 806	1 806	1 806	2 738	4 179	4 280
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	2 004	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	4 158	4 107	5 061	3 528	5 238	5 238	5 500	5 775	6 064
Police	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	8 381	7 431	5 227	14 597	5 444	5 444	5 717	6 002	6 303
Nature Reserves	-	-	-	1 872	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	1 311	1 241	649	-	676	676	710	746	783
Stalls	998	981	934	-	973	973	1 022	1 073	1 127
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	36 135	34 747	23 150	14 769	24 115	24 115	25 321	26 587	27 916
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	36 135	34 747	23 150	14 769	24 115	24 115	25 321	26 587	27 916
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		45 065	39 194	39 269	20 853	40 905	40 905	42 951	45 098	47 353
Operational Buildings		45 065	39 194	39 269	20 853	40 905	40 905	42 951	45 098	47 353
Municipal Offices		45 065	39 194	39 269	20 853	40 905	40 905	42 951	45 098	47 353
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		11 611	9 009	9 258	8 102	7 079	7 079	10 501	15 782	16 177
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		11 611	9 009	9 258	8 102	7 079	7 079	10 501	15 782	16 177
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		11 611	9 009	9 258	8 102	7 079	7 079	10 501	15 782	16 177
Load Settlement Software Applications										
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		101	5	0	2 936	-	-	-	-	-
Computer Equipment		101	5	0	2 936	-	-	-	-	-
Furniture and Office Equipment		15 328	51 878	16 105	10 584	17 850	17 850	22 195	28 658	29 647
Furniture and Office Equipment		15 328	51 878	16 105	10 584	17 850	17 850	22 195	28 658	29 647
Machinery and Equipment		1 131	942	2 508	3 354	897	897	970	1 061	1 110
Machinery and Equipment		1 131	942	2 508	3 354	897	897	970	1 061	1 110
Transport Assets		53 128	44 776	41 186	19 168	47 100	47 100	56 316	69 772	72 378
Transport Assets		53 128	44 776	41 186	19 168	47 100	47 100	56 316	69 772	72 378
Land		45 216	19 154	-	-	-	-	-	-	-
Land		45 216	19 154	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		2 238	1 947	9 698	834	1 214	1 214	1 274	1 338	1 405
Zoo's, Marine and Non-biological Animals		2 238	1 947	9 698	834	1 214	1 214	1 274	1 338	1 405
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection										
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection										
Zoological plants and animals										
Total Depreciation	1	906 729	885 335	853 274	420 694	674 788	674 788	752 070	857 195	894 454

MAN Mangaung - Supporting Table SA34e Consolidated capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		7 267	11 632	50 306	24 030	25 230	25 230	23 400	24 453	21 900
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads										
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		7 267	11 632	50 306	24 030	25 230	25 230	23 400	24 453	21 900
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors		-	(190)	7 510	10 000	10 000	10 000	7 200	7 524	7 712
MV Substations										
MV Switching Stations										
MV Networks		4 187	4 716	1 630	6 000	7 200	7 200	5 400	5 643	5 784
LV Networks		3 079	7 105	41 166	8 030	8 030	8 030	10 800	11 286	8 404
Capital Spares										
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution										
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station										
Reticulation										
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres										
Core Layers										
Distribution Layers										
Capital Soares										

Community Assets	2 904	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Halls									
Centres									
Crèches									
Clinics/Care Centres									
Fire/Ambulance Stations									
Testing Stations									
Museums									
Galleries									
Theatres									
Libraries									
Cemeteries/Crematoria									
Police									
Parks									
Public Open Space									
Nature Reserves									
Public Ablution Facilities									
Markets									
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares									
Sport and Recreation Facilities	2 904	-	-	-	-	-	-	-	-
Indoor Facilities									
Outdoor Facilities	2 904	-	-	-	-	-	-	-	-
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	-	111	710	4 200	4 200	4 200	-	-	-
Operational Buildings	-	111	710	4 200	4 200	4 200	-	-	-
Municipal Offices									
Pay/Enquiry Points									
Building Plan Offices									
Workshops	-	111	710	4 200	4 200	4 200	-	-	-
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	7 051	-	645	1 783	1 783	1 783	1 082	-	-
Servitudes									
Licences and Rights	7 051	-	645	1 783	1 783	1 783	1 082	-	-
Water Rights									
Effluent Licenses									
Solid Waste Licenses									
Computer Software and Applications	7 051	-	645	1 783	1 783	1 783	1 082	-	-
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 Capital Expenditure on upgrading of existing assets	1	17 222	11 743	51 661	30 013	31 213	31 213	24 482	24 453	21 900
Upgrading of Existing Assets as % of total capex		2,0%	1,7%	9,0%	2,2%	2,7%	2,7%	1,8%	1,9%	1,6%
Upgrading of Existing Assets as % of deprecn"		1,9%	1,3%	6,1%	7,1%	4,6%	4,6%	3,3%	2,9%	2,4%

Most projects under the infrastructure class and sub-class are for the development and construction until projects are finalized safe for projects that are implemented in phases. **SA35**

MAN Mangaung - Supporting Table SA35 Consolidated future financial implications of the capital budget

Vote Description	Ref	2025/26 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Present value
R thousand								
Capital expenditure	1							
Vote 01 - City Manager		-	-	-				
Vote 02 - Executive And Council		500	550	600				
Vote 03 - Corporate Services		43 629	11 000	18 000				
Vote 04 - Financial Services		-	-	-				
Vote 05 - Community And Social Development		60 876	88 924	108 590				
Vote 06 - Planning And Human Settlement		55 298	10 975	33 000				
Vote 07 - Economic And Rural Development		14 025	11 856	12 695				
Vote 08 - Roads And Transport		336 272	334 320	340 137				
Vote 09 - Water And Sanitation		497 817	535 574	524 641				
Vote 10 - Municipal General		2 921	1 059	1 104				
Vote 11 - Public Safety And Security		10 990	7 899	7 798				
Vote 12 - Centlec		321 660	316 411	281 481				
Vote 13 - N/A1		-	-	-				
Vote 14 - N/A		-	-	-				
Vote 15 - Other		-	-	-				
List entity summary if applicable								
Total Capital Expenditure		1 343 987	1 318 567	1 328 045	-	-	-	-
Future operational costs by vote	2							
Vote 01 - City Manager								
Vote 02 - Executive And Council								
Vote 03 - Corporate Services								
Vote 04 - Financial Services								
Vote 05 - Community And Social Development								
Vote 06 - Planning And Human Settlement								
Vote 07 - Economic And Rural Development								
Vote 08 - Roads And Transport								
Vote 09 - Water And Sanitation								
Vote 10 - Municipal General								
Vote 11 - Public Safety And Security								
Vote 12 - Centlec								
Vote 13 - N/A1								
Vote 14 - N/A								
Vote 15 - Other								
List entity summary if applicable								
Total future operational costs		-	-	-	-	-	-	-

Future revenue by source	3							
Exchange Revenue		863 123	890 689	983 861				
Service charges - Electricity		4 419 517	4 700 405	5 037 854				
Service charges - Water		1 645 063	1 775 670	1 954 835				
Service charges - Waste Water Management		589 015	621 676	643 590				
Service charges - Waste Management		200 849	211 986	219 458				
Agency services								
List other revenues sources if applicable		5 060 032	5 196 346	5 227 184				
List entity summary if applicable								
Total future revenue		12 777 598	13 396 771	14 066 782	-	-	-	-
Net Financial Implications		(11 433 611)	(12 078 204)	(12 738 737)	-	-	-	-



PART E

A. OVERVIEW OF BUDGET RELATED POLICIES

The following policies that govern the municipality's budget compilation and/or implementation thereof:

1. Property Rates Policy
2. Tariff Policy
3. Credit Control and Debt Collection Policy (amended)
4. Petty Cash Policy
5. Travel and substance policy (amended)
6. Supply chain Management policy (amended)
7. Banking and investment policy
8. Land disposal policy
9. Indigent policy (amended)
10. Funding and reserves policy
11. Borrowing policy
12. Capital infrastructure investment policy
13. Policy on long term financial planning
14. Virement policy (amended)
15. Policy on the writing off irrecoverable debt (reviewed)
16. Adopt A Park Policy
17. Cost Containment Policy (amended)
18. Grant in Aid Policy (new)
19. Investment Incentive Policy (new)

The abovementioned policies are available on the Mangaung Metropolitan Municipality's website (www.mangaung.co.za)

B. AMENDED POLICIES

The following amended budget related policies are submitted for approval by Council:

B1. SUPPLY CHAIN MANAGEMENT POLICY AMENDMENTA

No.	Page	Paragraphs		Proposed changes	Comments
1.	21	10.2.2	During consultations between the CFO and Head of Departments, all reasonable efforts shall be made to determine:	<u>During consultations between the CFO / General Manager, SCM / delegated officials and Head of Departments, all reasonable efforts shall be made to determine:</u>	None
2.	29	15.1.9	None	<u>Bidders shall be required to complete an affirmation form confirming that all the information and documents submitted during competitive bidding process are authentic / legitimate and grant permission to the Municipality to verify and validate the said information or documentations</u>	None
3.	30	15.2.8	The General Manager may negotiate market related prices with the preferred / recommended bidder(s) depending on delegations of powers	<u>The General Manager: supply chain management may negotiate market related prices with the preferred / recommended bidder(s) and finalize the award, depending on delegations of powers.</u>	None

No.	Page	Paragraphs		Proposed changes	Comments
1.	16	4.3.10	None	<u>Ensures that SCM unit is adequately staffed and implementing Municipal SCM policy.</u>	None
2.	21	10.2.2	During consultations between the CFO and Head of Departments, all reasonable efforts shall be made to determine:	<u>During consultations between the CFO / General Manager, SCM / delegated officials and Head of Departments, all reasonable efforts shall be made to determine:</u>	None
3.	29	15.1.9	None	<u>Bidders shall be required to complete an affirmation form confirming that all the information and documents submitted during competitive bidding process are authentic / legitimate and grant permission to the Municipality to verify and validate the said information or documentations</u>	None
4.	30	15.2.8	The General Manager may negotiate market related prices with the preferred / recommended bidder(s) depending on delegations of powers	<u>The General Manager: supply chain management may negotiate market related prices with the preferred / recommended bidder(s) and finalize the award, depending on delegations of powers.</u>	None

B.2 CREDIT CONTROL AND DEBT COLLECTION POLICY

P14 DELETE 8 (7) written permission of the owner may be requested from the owner by the Municipality. If AND , where permission has been granted, as a last resort is

P21 ADD 17 (7) (g) The Municipality may charge a fee for the replacement of a pre-paid user interface device. The fee is subject to an exclusion of approved indigent household with a condition that the device is not damaged by the client. The fee will be determined by council from time to time.

P22 ADD 18 (6) In a case where a payment is made without using an applicable correct reference number and the payment is not claimed with in a period of three (3) years, the payment shall be confiscated after a public notice has been issued for a period of three (3) months.

P22 ADD 18 (7) An applicable reference number shall be regarded as either the ten (10) digit debtors account number or twenty (20) digit vote number.

B.3 INDIGENT POLICY:

P5 CHANGE 7.3 2024/2027

P7 CHANGE 9.3.3.3 words "Sassa letter" and "three bank statements" were added.

P7 CHANGE Sentence "which includes reference to the relationship with applicant and account holder if surnames differ" was added.

P15 CHANGE 24 The following was added:

Name	Tel No	Email Address
Salome Mokhooa	051 405 8347	Salome.mokhooa@mangaung.co.za
Jabulani Khoale	051 405 8618	Jabulani.khoale@mangaung.co.za
Pakisho Moremi	051 410 6667	Pakisho.moremi@mangaung.co.za

B.4 TRAVEL POLICY

8.1 USE OF AIRLINES

ADD

8.1.5 **No-shows and cancellations**

*Councillors and Officials will be held liable for no-shows and cancellation fees (including missed flights) if the travel agency was not informed in time to postpone or cancel the booking. **Same for additional accommodation and car rental as a result of missed flights***

Any costs associated with no shows or late cancellations will be reported to Council as Fruitless and Wasteful Expenditure and shall be recovered from such an employee or councillor from the next pay run (whether item has served or not).

The affected individual may submit motivation for the reversal of the deduction and this should be acceptable to Council, through Finance Committee recommendations.

8.2.1 HIRED VEHICLES

8.2.1.1 The City makes use of the major car rental companies interchangeably depending on availability. (BY MEANS OF THE DESIGNATED TRAVEL AGENCY)

ADD

8.2.1.2 Car Rental Groups

- *For a booking of a vehicle other than **Group B** written, pre-approval by CFO and CM is required.*
- *Liability for speeding tickets and damage to rental vehicles when not caused due to a reported accident/negligence. (Kgantse/Veronique are insurance included)*

9.2 Meals Expenses – Local Travel

- Meals and incidental costs, an amount of R 470.00 per day is deemed to have been expended if a delegate is responsible for his own private accommodation.
(Refer to table from SARS and NT below)
- Incidental costs only, an amount of R 150.00 for each day.
(Refer to table from SARS and NT below)

12 March 2025 – See changes:

Where the recipient is obliged to spend at least one night away from his or her usual place of residence on business, and the accommodation to which that allowance or advance relates is in the Republic of South Africa, and the allowance or advance is granted to pay for:

Tax Year	Meals and incidental costs per day (R)	Incidental cost only per day (R)
2026	570	176
2025	548	169



12. SUBSISTENCE AND CAMPING ALLOWANCE

(PSCBC Resolution 3/99 Part XII and XIII)

TYPE OF ALLOWANCE	MAXIMUM ALLOWANCE W.E.F. 1 APRIL 2019
Special daily allowance to compensate for incidental expenses where actual expenses are claimed	R134.00
Fixed daily subsistence allowance payable in circumstances where actual expenses are not claimed	R 435.00
Daily allowance payable to camping personnel	R 163.00

Accommodation

The cost incurred for domestic accommodation and meals must be in accordance with the maximum allowable rates for domestic accommodation and meals as communicated from time to time by National Treasury. The following grading will be applied:

Designation	National Hotel Grading	International Hotel Grading
<i>Executive Mayor, Deputy Mayor, Speaker and Council Whip, Full-time Councillors, City Manager and HOD's</i>	<i>5 Star –limited to the amounts as approved by National Treasury. (Maximum R2500 per day) R2740 as per NT Annex A since 2022/2023 fin year</i>	<i>The higher of a 5 star or grading used by the delegation from South Africa Recommended new price R2900</i>
<i>Deputy Heads of Departments; Chief of Staff and General Managers</i>	<i>4 Star - limited to the amounts as approved by National Treasury. (Maximum R1550 per day) R1700 as per NT Annex A since 2022/2023 fin year</i>	<i>The higher of a 4 star or grading used by the delegation from South Africa Recommended new price R1900</i>
<i>All other Officials</i>	<i>3 Star maximum of 4 Star - limited to the amounts as approved by National Treasury. (Maximum R1550 per day) R1700 as per NT Annex A since 2022/2023 fin year</i>	<i>The higher of a 4 star or grading used by the delegation from South Africa Recommended new price R1900</i>

*The tariffs per person per night will include dinner, bed and breakfast, tourism levy and 2 soft drinks at dinner.

As of March 16, 2025, the South African National Treasury has discontinued publishing standardized rates for accommodation, conferences, and food, giving government departments autonomy to determine their own rates, effective April 1, 2025.

10.2 Miscellaneous Expenses - International

10.2.1 The following expenses incurred may be claimed on production of proof of expenditure:

- » Laundry (only if the Official/Councillor is away from his/her residence for a period exceeding 7 days)
- » Parking / bus fares;
- » Transport costs to and from official meetings;
- » Official telephone / fax / internet / cell phone expenses (e.g. sms), except roaming costs related to calls up to the limit prescribed by the City Manager prior to departure;
- » Visas (for the shortest available period);
- » Inoculations; **(are vaccines included?)**
- » Specialised tours / entries to events related to the travelling;
- » Any additional reasonable claim

B.5 COST CONTAINMENT POLICY

Cost containment policy - Main changes on Printing cost (digitisation) and emergency expenditures

B.5 Virement Policy

Main changes on virements within grant funded projects (by function and not vote)

1. BUDGET ANNEXURES

Annexure A – A-schedule

ANNEXURE B: SUMMARY OF TARIFF BOOK ALL SERVICES TARIFFS

Electricity Tariffs

It is recommended:

- i. That the electricity tariffs for the 2025/26 financial year be increased with 13.50% (on average) above the previous year and by 6.36% and 7.19% in the two respective outer years subject to Nersa approval.
- ii. That the new electricity tariffs for 2025/26 be applicable from the consumer month of 1 July 2025.
- iii. That for the calculation of electricity accounts the consumer month will be the period between the successive monthly readings irrespective of the period between reading dates and with a winter and summer component for all tariffs.
- iv. That the following charges and prices excluding VAT in connection with the supply and consumption of electricity are submitted for approval.

**SERVICES COSTS -
ELECTRICITY TARIFFS
2024/2025 TO 2027/2028**

	Prepayment Inclining Block for Indigents Tariff	2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)		2027/2028	
		Summer	Winter			Summer	Winter			Summer	Winter			Summer	Winter
	Indigent (1 to 50) Free Basic Electricity	1,92	2,44	13,50%		2,18	2,77	6,36%		2,32	2,94	7,19%		2,48	3,16
	Indigent (51 to 350) Lifeline Tariff	2,04	2,60	13,50%		2,32	2,96	6,36%		2,47	3,14	7,19%		2,64	3,37
	Indigent (> 350) Lifeline Tariff	2,79	3,09	13,50%		3,16	3,51	6,36%		3,37	3,73	7,19%		3,61	4,00
	Overall			13,50%				6,36%				7,19%			
	Pre Payment Inclining Block Tariff														
	EL0001/ELSM01	2,46	3,04	13,50%		2,79	3,45	6,36%		2,97	3,67	7,19%		3,19	3,94
	EL0001	2,84	3,69	13,50%		3,23	4,19	6,36%		3,43	4,46	7,19%		3,68	4,78
	Overall (Including Indigent Tariffs)			13,50%				6,36%				7,19%			
	Conventional Inclining Block														
	EL0001	2,46	3,04	13,50%		2,79	3,45	6,36%		2,97	3,67	7,19%		3,19	3,94
	EL0001	2,84	3,69	13,50%		3,23	4,19	6,36%		3,43	4,46	7,19%		3,68	4,78
	Overall			13,50%				6,36%				7,19%			
	Homeflex Tariff Single Phase														
	Single Phase Basic Charge	263,35	263,35	13,50%		298,90	298,90	6,36%		317,91	317,91	7,19%		340,76	340,76
	ELRHDP/E1RHDP	3,42	6,30	13,50%		3,88	7,15	6,36%		4,13	7,61	7,19%		4,43	8,15
	ELRHDS/E1RHDS	2,57	3,46	13,50%		2,91	3,93	6,36%		3,10	4,18	7,19%		3,32	4,48
	ELRHDO/E1RHDO	2,17	3,34	13,50%		2,46	3,79	6,36%		2,62	4,03	7,19%		2,80	4,32
	Overall			13,50%				6,36%				7,19%			
	Homeflex Tariff Three Phase														
	Three Phase Basic Charge	750,12	750,12	13,50%		851,38	851,38	6,36%		905,53	905,53	7,19%		970,64	970,64
	ELRHDP/E1RHDP	3,42	6,30	13,50%		3,88	7,15	6,36%		4,13	7,61	7,19%		4,43	8,15
	ELRHDS/E1RHDS	2,57	3,46	13,50%		2,91	3,93	6,36%		3,10	4,18	7,19%		3,32	4,48
	ELRHDO/E1RHDO	2,17	3,34	13,50%		2,46	3,79	6,36%		2,62	4,03	7,19%		2,80	4,32
	Overall			13,50%				6,36%				7,19%			
	Pre Payment Flat Business Tariff														
	Units (kWh)	3,67	3,84	13,50%		4,17	4,35	6,36%		4,43	4,63	7,19%		4,75	4,96
	Overall			13,50%				6,36%				7,19%			
	Rotary Flat Business Tariff (EL0005)														
	Conventional Flat Business Tariff														
	EL0005/ELSM05	3,67	3,84	13,50%		4,17	4,35	6,36%		4,43	4,63	7,19%		4,75	4,96
	Overall			13,50%				6,36%				7,19%			

SERVICES COSTS - ELECTRICITY TARIFFS

Complex Single Phase	2024/2025		% Increase (for 2025/26)	2025/2026		% Increase (for 2026/27)	2026/2027		% Increase (for 2027/28)	2027/2028	
	Summer	Winter		Summer	Winter		Summer	Winter		Summer	Winter
Single Phase Basic Charge	260,76	260,76	13,50%	295,96	295,96	6,36%	314,78	314,78	7,19%	337,42	337,42
Peak Energy (kWh)	4,05	6,00	13,50%	4,59	6,81	6,36%	4,89	7,24	7,19%	5,24	7,76
Standard Energy (kWh)	2,26	3,67	13,50%	2,56	4,16	6,36%	2,73	4,43	7,19%	2,92	4,75
Off-Peak (kWh)	2,10	2,69	13,50%	2,38	3,06	6,36%	2,53	3,25	7,19%	2,71	3,48
Overall			13,50%			6,36%			7,19%		
Complex Three Phase	2024/2025		% Increase (for 2025/26)	2025/2026		% Increase (for 2026/27)	2026/2027		% Increase (for 2027/28)	2027/2028	
	Summer	Winter		Summer	Winter		Summer	Winter		Summer	Winter
Three Phase Basic Charge	762,60	762,60	13,50%	865,55	865,55	6,36%	920,60	920,60	7,19%	986,79	986,79
Peak Energy (kWh)	3,95	5,85	13,50%	4,48	6,64	6,36%	4,76	7,06	7,19%	5,11	7,57
Standard Energy (kWh)	2,20	3,58	13,50%	2,50	4,06	6,36%	2,66	4,32	7,19%	2,85	4,63
Off-Peak (kWh)	2,04	2,62	13,50%	2,32	2,98	6,36%	2,47	3,17	7,19%	2,64	3,40
Overall			13,50%			6,36%			7,19%		
Elecflex 1	2024/2025		% Increase (for 2025/26)	2025/2026		% Increase (for 2026/27)	2026/2027		% Increase (for 2027/28)	2027/2028	
	Summer	Winter		Summer	Winter		Summer	Winter		Summer	Winter
Basic Charge	5357,16	5357,16	13,50%	6080,38	6080,38	6,36%	6467,09	6467,09	7,19%	6932,08	6932,08
Access Charge (kVA)	79,91	79,91	13,50%	90,69	90,69	6,36%	96,46	96,46	7,19%	103,40	103,40
Max Demand (kVA)	222,68	222,68	13,50%	252,74	252,74	6,36%	268,82	268,82	7,19%	288,15	288,15
Peak Energy (kWh)	2,50	4,92	13,50%	2,84	5,58	6,36%	3,02	5,93	7,19%	3,23	6,36
Standard Energy (kWh)	1,64	2,52	13,50%	1,86	2,86	6,36%	1,98	3,04	7,19%	2,12	3,26
Off-Peak Energy (kWh)	1,52	2,36	13,50%	1,72	2,68	6,36%	1,83	2,85	7,19%	1,97	3,05
Overall			13,50%			6,36%			7,19%		
Elecflex 2	2024/2025		% Increase (for 2025/26)	2025/2026		% Increase (for 2026/27)	2026/2027		% Increase (for 2027/28)	2027/2028	
	Summer	Winter		Summer	Winter		Summer	Winter		Summer	Winter
Basic Charge	3549,72	3549,72	13,50%	4028,94	4028,94	6,36%	4285,18	4285,18	7,19%	4593,28	4593,28
Access Charge (kVA)	88,52	88,52	13,50%	100,47	100,47	6,36%	106,85	106,85	7,19%	114,54	114,54
Max Demand (kVA)	240,21	240,21	13,50%	272,64	272,64	6,36%	289,98	289,98	7,19%	310,83	310,83
Peak Energy (kWh)	2,50	4,91	13,50%	2,84	5,57	6,36%	3,02	5,93	7,19%	3,23	6,35
Standard Energy (kWh)	1,64	2,51	13,50%	1,86	2,85	6,36%	1,98	3,03	7,19%	2,12	3,25
Off-Peak Energy (kWh)	1,45	2,30	13,50%	1,64	2,61	6,36%	1,75	2,78	7,19%	1,87	2,98
Overall			13,50%			6,36%			7,19%		
Elecflex 3	2024/2025		% Increase (for 2023/24)	2025/2026		% Increase (for 2026/27)	2026/2027		% Increase (for 2027/28)	2027/2028	
	Summer	Winter		Summer	Winter		Summer	Winter		Summer	Winter
Basic Charge	2766,98	2766,98	13,50%	3140,53	3140,53	6,36%	3340,26	3340,26	7,19%	3580,43	3580,43
Access Charge (kVA)	92,47	92,47	13,50%	104,96	104,96	6,36%	111,63	111,63	7,19%	119,66	119,66
Max Demand (kVA)	259,44	259,44	13,50%	294,46	294,46	6,36%	313,19	313,19	7,19%	335,71	335,71
Peak Energy (kWh)	2,63	4,91	13,50%	2,98	5,58	6,36%	3,17	5,93	7,19%	3,40	6,36
Standard Energy (kWh)	1,72	2,50	13,50%	1,95	2,84	6,36%	2,08	3,02	7,19%	2,23	3,24
Off-Peak Energy (kWh)	1,54	2,34	13,50%	1,75	2,66	6,36%	1,86	2,83	7,19%	1,99	3,03
Overall			13,50%			6,36%			7,19%		

SERVICES COSTS - ELECTRICITY TARIFFS													
Bulk Resell 2		2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)	
		Summer	Winter			Summer	Winter			Summer	Winter		
												Summer	Winter
ELK004	Basic Charge	4769,05	4769,05	13,50%		5412,87	5412,87	6,36%		5757,13	5757,13	7,19%	6171,07
ELHP04	Max Demand (kVA)	34,47	34,47	13,50%		39,12	39,12	6,36%		41,61	41,61	7,19%	44,60
ELHS04	Peak Energy (kWh)	2,98	4,32	13,50%		3,38	4,91	6,36%		3,60	5,22	7,19%	3,86
ELHO04	Standard Energy (kWh)	2,39	3,08	13,50%		2,71	3,49	6,36%		2,88	3,71	7,19%	3,09
ELHO04	Off-Peak Energy (kWh)	1,77	2,59	13,50%		2,00	2,94	6,36%		2,13	3,13	7,19%	2,29
	Overall			13,50%				6,36%				7,19%	
Bulk Resell 3		2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)	
		Summer	Winter			Summer	Winter			Summer	Winter		
												Summer	Winter
ELK005	Basic Charge	4962,57	4962,57	13,50%		5632,52	5632,52	6,36%		5990,75	5990,75	7,19%	6421,49
ELHP05/ELP005	Max Demand (kVA)	24,61	24,61	13,50%		27,93	27,93	6,36%		29,71	29,71	7,19%	31,85
ELHS05	Peak Energy (kWh)	3,06	4,34	13,50%		3,47	4,92	6,36%		3,69	5,24	7,19%	3,95
ELHO05	Standard Energy (kWh)	2,49	3,59	13,50%		2,83	4,08	6,36%		3,01	4,34	7,19%	3,22
ELHO05	Off-Peak Energy (kWh)	1,79	2,51	13,50%		2,03	2,85	6,36%		2,16	3,03	7,19%	2,31
	Overall			13,50%				6,36%				7,19%	
Sport Stadiums on ToU		2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)	
		Summer	Winter			Summer	Winter			Summer	Winter		
												Summer	Winter
MHP001	Peak Energy (kWh)	4,87	8,71	13,50%		5,52	9,89	6,36%		5,87	10,52	7,19%	6,30
MHS001	Standard Energy (kWh)	3,08	4,72	13,50%		3,49	5,36	6,36%		3,71	5,70	7,19%	3,98
MHO001	Off-Peak Energy (kWh)	2,62	4,24	13,50%		2,97	4,81	6,36%		3,16	5,12	7,19%	3,39
	Overall			13,50%				6,36%				7,19%	
Centlec Departmental on ToU		2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)	
		Summer	Winter			Summer	Winter			Summer	Winter		
												Summer	Winter
	Peak Energy (kWh)	2,95	5,55	13,50%		3,35	6,30	6,36%		3,56	6,70	7,19%	3,82
	Standard Energy (kWh)	1,89	3,16	13,50%		2,15	3,59	6,36%		2,28	3,81	7,19%	2,45
	Off-Peak Energy (kWh)	1,66	3,01	13,50%		1,89	3,42	6,36%		2,01	3,64	7,19%	2,15
	Overall			13,50%				6,36%				7,19%	
Departmental		2024/2025		% Increase (for 2025/26)		2025/2026		% Increase (for 2026/27)		2026/2027		% Increase (for 2027/28)	
		Summer	Winter			Summer	Winter			Summer	Winter		
												Summer	Winter
	kWh (Centlec)	2,79	2,79	13,50%		3,16	3,16	6,36%		3,36	3,36	7,19%	3,61
	Overall			13,50%				6,36%				7,19%	

PROPERTY RATES TARIFFS FOR THE 2025/2026 FINANCIAL YEAR

In terms of the relevant legislation the Mangaung Metropolitan Municipality at a meeting held , resolved to amend its Tariffs for Property Rates with effect from **1 July 2025** as follows:

Start date: 01 JULY 2025

End date: 30 JUNE 2026

1. **THAT** in terms of Sections 2, 7, 8 and 14 of the Local Government: Municipal Property Rates Act 6 of 2004 ("the Act"), read with Sections 4(1)(c)(ii) and 11(3)(i) and 75A of the Local Government: Municipal Systems Act 32 of 2000, the following rates in the Rand **BE LEVIED** for the financial year 1 July 2025 to 30 June 2026, on the market value of property or on the market value of a right in property within the area of jurisdiction of the Council as appearing in the valuation roll, in respect of the various categories of properties set out below:

Category	Rate in the Rand 2024/2025	Rate in the Rand 2025/2026	Tariff Code
Residential Properties	1.0602	1.1068	VAGOV2, VAGOP2 VAIND1, VARES1, VARES3, VARES4, VAAGR2
Business and Commercial Properties	3.6056	3.7642	VABUS1
Industrial Properties	3.6056	3.7642	VABUS1
Agricultural Properties	0.2651	0.2768	VAAGR1
Mining Properties	3.6056	3.7642	VABUS1
Public Service Purposes	3.6056	3.7642	VAGOP1, VAGOV1
Government Properties	3.6056	3.7642	VAGOP1, VAGOV1
Public Service Infrastructure Properties	0.2651	0.2768	VAPSI1
Places of Public Worship	0.0000	0.0000	VAEXM1
Private Open Space	1.0602	1.1068	VAGOV2, VAGOP2 VAIND1, VARES1, VARES3, VARES4
Private Road	1.0602	1.1068	VAGOV2, VAGOP2 VAIND1, VARES1, VARES3, VARES4
Public Benefit Organisations	0.0000	0.0000	VAEXM1
Municipal Properties	0.0000	0.0000	VAMUN1
Guesthouses	3.6056	3.7642	VABUS1
Vacant Land	To be determined based on use	To be determined based on use	

2. That the rates levied in terms of paragraph 1 above **SHALL BECOME DUE AND PAYABLE** in twelve equal instalments on fixed days for twelve consecutive months, these being the due date stipulated in the account sent to the ratepayer.
3. That interest at the **prime rate + 1%** will **BE CHARGED** per month or part thereof on all arrear property rates at the applicable interest rate.
4. That in terms of Section 15(1)(b) of the Act read with Council's Property Rates Policy, the Council grants, the following reduction in market value and rebates on the rate levied for the financial year 2025/2026 to any owner of ratable property in the following circumstances:

- 4.1 That in terms of section 17(h) of the Municipal Property Rates Act, No 6 of 2004, read in conjunction with the Council's Property Rates Policy the impermissible value and reduction of the market value of a property assigned to the residential category in the valuation roll or supplementary valuation roll, **BE DETERMINED** as **R 100 000**.
- 4.2 **Indigent household** – Owner of residential property, registered in terms of Council's approved indigent policy, **BE REBATED 100%** from amount levied on Property Rates.
- 4.3 **Age (60) / Senior Citizen and disabled persons** – That in addition to the reduction in 4.1 above and subject to requirements as set out in Council's Rates Policy, an **ADDITIONAL** reduction of **R 200 000** on the market value of qualifying senior citizens and disabled persons **BE GRANTED**.

The applicant must:

- i. be the registered owner of the property;
 - ii. produce a valid identity document;
 - iii. be at least 60 years of age upon application, approved disability grantee or approved medically boarded person;
 - iv. not be in receipt of an indigent assessment rate rebate;
 - v. reside permanently on the property as prescribed in Council's Property Rates Policy;
 - vi. That the market value of the property does not exceed R 2 500 000 (Two million five hundred thousand rand only);
- 4.4 **Child headed households** – That a child headed household registered in terms of Council's approved rates policy, **BE REBATED 100%** from amount levied on Property Rates **IF**:
- The total monthly income from all sources does not exceed an amount equal to three state pensions (per month) as determined by the National Minister of Finance.
- 4.5 **Agricultural** – That an agricultural property as defined in terms of the Council's approved rates policy **BE LEVIED** at the standard ratio of 1:0.25 of the tariff for residential properties and therefore an effective **REBATE** of 75% on the tariff for residential properties will apply. It should be noted that **NO ADDITIONAL REBATES** shall be granted if this rebate applies.
- 4.6 **Township Development** – Owner of a township development **BE REBATED 50%** from amount levied on Property Rates.
5. **Public Service Infrastructure** properties as defined under section 1 of the Municipal Property Rates Act 6 of 2004 read in conjunction with section 11(1)(b) and 17(1) be **LEVIED** at **MARKET VALUE LESS 30%**. That a Public Service Infrastructure property **BE LEVIED** at the standard ratio of 1:0.25 of the tariff for residential properties and therefore an effective **REBATE** of 75% on the tariff for residential properties will apply. The following Public Service Infrastructure properties are however excluded in terms of section 17 (1) (aA) and therefore is considered impermissible to levy rates:
- a) National, provincial or other public roads on which goods, services or labour move across a municipal boundary;

- b) Water or sewer pipes, ducts or other conduits, dams, water supply reservoirs, water treatment plans or water pumps forming part of a water or sewer scheme serving the public;
 - c) Railway lines forming part of a national railway system;
 - d) Runways, aprons and the air traffic control unit at national or provincial airports, including the vacant land known as the obstacle free zone surrounding these, which must be vacant for air navigation purposes;
 - e) A right registered against immovable property in connection with infrastructure mentioned in paragraphs a) to e) above.
6. Notwithstanding the requirements of the Council's Property Rates Policy, the following categories of properties **BE EXEMPTED** from paying property rates:
- 6.1 **Municipal Properties** (Except where non-market related rental is applicable in which case the property is categorised according to its use (i.e. residential, business, etc.)).
 - 6.2 **Properties owned by public benefit organisations** and used for any specific public benefit activities as listed under Part 1 of the Ninth Schedule to the Income Tax Act, 1962 (Act 58 of 1962) and in adherence to the requirements of the Council's Property Rates Policy.
 - 6.3 **Places of Public Worship** including churches and properties of similar nature.
7. Municipal owned properties where a Permission To Occupy (PTO) certificate is issued will be levied a rates tariff applicable to the use, permitted use or a combination of both in line with section 8(1) of the Municipal Property Rates Act.

DETERMINATION OF SEWERAGE DISPOSAL SERVICES TARIFFS

In terms of the relevant legislation the Mangaung Metropolitan Municipality at a meeting held on or before 31 May 2025, resolved to amend its Tariffs for Sewerage Disposal Services with effect from **1 July 2025** as follows:

Start date: 01 JULY 2025 VAT EXCLUDED
End date: 30 JUNE 2026

The amounts due for wastewater services for the 2025/2026 financial year BE PAID on dates as indicated on accounts which will be rendered from **1 July 2025**.

The sewerage charges are linked to the market value of the property.

ALL TARIFFS LISTED BELOW, OR TO BE CALCULATED IN TERMS OF THIS SCHEDULE OF TARIFFS **EXCLUDE VAT**. The proposed tariff increase is an average of 4.4% with respect to residential and non-residential properties. The MFMA circular 129 macro-economic performance and projections forecasts on **rates** released by National Treasury has been considered.

- i) Charges will be levied for the financial year 1 July 2025 to 30 June 2026, on the market value of property or on the market value of a right in property within the area of jurisdiction of the Council as appearing in the valuation roll, in respect of the various categories of properties set out below:

Category	Rate in the Rand 2024/2025	Rate in the Rand 2025/2026	Minimum Charges Rand	Tariff Code
Non-residential 0.6608		0.6899	205.57 per month	SA0010, SA0019, SA0021, SADEP1, SAEDU1, SA-GOV1, SAPOS1, SATN01, SA2050
Residential	0.4213	0.4398	156.04 per month	SA0018, SA0020, SA0021, SAN022, SAIND1, SA2051
Exempt	0.0000	0.0000	0.00 per month	SA0000, SA0070, SA0080, SA0090

- j) That the charges levied in terms of paragraph 1 above **SHALL BECOME DUE AND PAYABLE** in twelve equal instalments on fixed days for twelve consecutive months, these being the due date stipulated in the account sent to the ratepayer.
- k) That interest at the **prime rate + 1%** will **BE CHARGED** per month or part thereof on all arrear sanitation charges at the applicable interest rate.
- l) The minimum charges will only be applicable when the charges based on market value is below the minimum charges specified under paragraph 1 and is not exempt in terms of other sections within this document.
- m) The following rebates and exemptions will apply in respect of sewerage charges: -
- a. All residential properties with a market value of **R 100 000.00** or less are exempted from paying of sewerage charges;
 - b. All residential properties using other levels of sanitation than waterborne shall pay according to the general tariff booklet when they apply for the emptying of septic tank or VIP;
 - c. The residential properties in the following areas may be excluded in the instance where there are no bulk sewerage pipe connection.
 - i. Bloemdundria
 - ii. Ribblesdale
 - iii. Bloemspruit
 - iv. Bainsvlei
 - v. Farms and Peri-Urban areas
- n) The following special arrangements are in place with the following institutions: -
- a. For Martie du Plessis School, Dr Böhmer School, Lettie Fouché School ; Tswelopele school of the blind ; Bartimea school and schools of similar nature a charge of **R 89.18 (2024/2025: R 85.42)** will be levied per sanitary point per month (**TARIFF CODE – SP5170**).
- o) The residential flat rate Levies
- a. Residential Properties that are not connected to municipal sewer network will be levied a monthly flat rate of R35.00
 - b. Small Holding properties, complexes, sectional scheme, duets and other residential properties that uses septic tank will be levied a monthly the flat rate of R35.00. This flat rate does not replace or cancel the septic tank levies payable as reflected in the municipal tariff booklet.
 - c. The flat rate levy will excludes Farms and plots where the municipality is not collection refuse.

- p) Non-Residential flat tariff
- a. Non-Properties other than the that are not connected to municipal sewer network will be levied a monthly flat rate of R65.00
 - b. Small Holding properties, complexes, sectional scheme, duets and any other non-residential properties that uses septic tank will be levied monthly flat rate of R65.00. This flat rate does not replace or cancel the septic tank levies payable as reflected in the municipal tariff booklet.
 - c. The flat rate levy will excludes Farms, plots and other Peri-Urban areas.

WASTE MANAGEMENT SERVICES TARIFFS

In terms of the relevant legislation the Mangaung Metropolitan Municipality at a meeting held, resolved to amend its Tariffs policy with effect from **1 July 2025** as follows:

Start date: 01 JULY 2025 VAT EXCLUDED

End date: 30 JUNE 2026

The amounts due for waste management services for the 2025/2026 financial year BE PAID on dates as indicated on accounts which will be rendered from **1 July 2025**.

ALL TARIFFS LISTED BELOW, OR TO BE CALCULATED IN TERMS OF THIS SCHEDULE OF TARIFFS **EXCLUDE VAT**. The proposed tariff increase is an average of 4.4% with respect to residential and non-residential properties. The MFMA circular 129 macro-economic performance and projections forecasts on **rates** released by National Treasury has been considered.

COLLECTION AND DISPOSAL TARIFFS

Charges shall be levied on and recovered from all consumers of the Councils Waste Management Services who utilized / requested the Councils Waste Management Services, such consumers shall include the owners and occupiers of the premises in respect of which the services are rendered, and such charges shall be recoverable from such owners and occupiers jointly and severally. "Occupiers" and Owners as intended herein shall be as defined in the Waste Management By-laws as well as Credit Control and Debt Collection Policy of the Council.

Charges shall be levied per consumer as intended above in respect of each service point (as defined in the Waste Management Tariff policy and By-laws of the Council).

1 DOMESTIC REFUSE CHARGE TARIFF TARIFF CODE – RFRES1

This tariff is applicable for all erven used for residential purposes.

The tariffs included under this item is limited to a maximum of one removal per week.

An additional fee will be charged for the costs associated with the type of service required as contained in the Tariffs booklet in terms of trade waste.

All residential properties with a market value of **R 100 000.00** or less are exempted from paying refuse removal charges.

Size of the Stand (Square meters)	Tariff per month 2024/2025	Tariff per month 2025/2026
0 – 300	68.00	70.99
301 – 600	91.09	95.10
601 – 900	163.45	170.64
901 – 1500	226.36	236.32
More than 1500	299.43	312.60

2 FLATS AND TOWNHOUSES PER UNIT

TARIFF CODE – RFSS01

This tariff is applicable to all townhouses or flats.

The tariffs included under this item is limited to a maximum of one removal per week.

An additional fee will be charged for the costs associated with the type of service required as contained in the Tariffs booklet.

The collection by waste removal vehicles shall be done from one central point per flat or townhouse complex.

All residential properties with a market value of **R 100 000.00** or less are exempted from paying refuse removal charges.

Item	Tariff per month 2024/2025	Tariff per month 2025/2026
Per Unit	163.45	170.64

3 DUET HOUSES AND PRIVATE TOWNS

TARIFF CODE – RFSSD1

This tariff is applicable to all duet houses and private towns.

The tariffs included under this item is limited to a maximum of one removal per week.

An additional fee will be charged for the costs associated with the type of service required as contained in the Tariffs booklet.

All residential properties with a market value of **R 100 000.00** or less are exempted from paying refuse removal charges.

Size of the Stand (Square meters)	Tariff per month 2024/2025	Tariff per month 2025/2026
0 – 300	68.00	70.99
301 – 600	91.09	95.10
601 – 900	163.45	170.64
901 – 1500	226.36	236.32
More than 1500	299.43	312.60

4 BUSINESSES AND COMMERCIAL PROPERTIES, NON RESIDENTIAL STATE OWNED PROPERTIES, AND INDUSTRIAL PROPERTIES TARIFF CODE – RFBUS1, RFMUN2

The tariffs included under this item is limited to a maximum of one removal per week.

Frequency of removal	Tariff per month 2024/2025	Tariff per month 2025/2026
BUSINESSES, COMMERCIAL , NON RESIDENTIAL STATE OWNED PROPERTIES, AND INDUSTRIAL PROPERTIES	390.04	407.20

An additional fee maybe charged for landfill costs as well as costs associated with the type of service required as contained in the Tariffs booklet for trade waste.

5 EXEMPT PROPERTIES TARIFF CODE – RFGR01, RFMUN1, RFUND1

The following properties will be **EXEMPT** from paying refuse charges:

- 5.1 No refuse will be levied on garages and gardens if separately registered as a sectional title unit in the Deeds Office;
- 5.2 Specified municipal properties as registered in the name of Mangaung Metropolitan Municipality;
- 5.3 Any other exempt properties.

6 SPECIAL ARRANGEMENTS

The following special arrangements is in place with the following institutions: -

- 6.1 For Martie du Plessis School, Dr Böhmer School, Lettie Fouché School, Bartimea school and schools of similar nature a charge of **R 34.92 (2024/2025: R 33.45)** will be levied per refuse point per month (**TARIFF CODE – RF5170**).

7 THE RESIDENTIAL FLAT RATE LEVIES

- 7.1 Residential Properties where municipality does not collect refuse will be levied a flat rate of **R30.00**
- 7.2 The flat rate levy will excludes Farms and plots where the municipality is not collecting refuse.

8 NON-RESIDENTIAL FLAT RATE LEVIES

- 8.1 Non-Properties where municipality does not collect refuse will be levied a flat rate of **R60.00**. The flat is levied because the refuse collected must be deposited into municipal landfill sites.
- 8.2 The flat rate levy will excludes Farms, plots and other Peri-Urban areas.

Water Supply Services Tariffs and Incidental Charges

In terms of the relevant legislation the Mangaung Metropolitan Municipality at a meeting held resolved to amend its Tariffs for Water Supply and Incidental Charges with effect from **1 July 2025** as follows:

Start date: 01 JULY 2025 VAT EXCLUDED

End date: 30 JUNE 2026

1. TARIFFS: WATER SUPPLY AND INCIDENTAL CHARGES

The amounts due for water services for the 2025/2026 financial year to be affected on dates as indicated on accounts which will be rendered from 1 July 2025.

Reference to “per month” in the tariffs is based on a meter reading period averaging of 30,4375 days.

Use is the determining factor for tariff application but where a mixed use occurs on any given property, the property zoning will be the determining factor in the tariff application

2. ALL TARIFFS LISTED BELOW OR TO BE CALCULATED IN TERMS OF THIS SCHEDULE OF TARIFFS EXCLUDE VAT.

2.1. WATER TARIFFS

Charges shall be levied in respect of each separate connection for water (as defined in the Water Supply By-laws and Credit and Debt Collection Policy of the Council). It is further noted that the tariffs effective to consumption as from 01 July 2025 and accounts as from those generated in July 2025 on a pro rata basis where applicable, will be levied.

All the tariffs are applicable to both conventional and prepaid water meters except where specifically excluded.

Where prepaid water meters are installed, a percentage in accordance with the debt collection and credit control policy of the vended amount may be deducted towards the settlement of any other outstanding debts owed by that property. This percentage may be increased to achieve the objectives as set out in the Credit Control and Debt Collection Policy.

3. Tariffs:

<u>Residential</u>	<u>Tariff Code</u>	<u>Business</u>	<u>Tariff Code</u>
Household Use/ Residential	WA0091	Businesses and Commercial and State Owned	WA0090
Sport Clubs	WA0086	Schools and Church	WA0092
Flats, Townhouses, Duets	WA0086	Industries	WA0093
Indigent Residential	WAIN91	South African Defense Force	WA0095
Basic availability charge	BW091	Combination meters	WA0101
Informal settlements	WAIC91	Fire meters	WA0084
Vacant land Fixed	BW0097/BW0107/BW0108	Purified Sewerage Effluent	WA0087
		Vacant land business	BW0105
		Boreholes	BW0098

3.1. Residential charges:

Household Use/ Residential
Sport Clubs
Flats, Townhouses, Duets
Indigent Residential

Tariff Code – WA0091
Tariff Code – WA0086
Tariff Code – WA0113
Tariff Code – WAIN91

The tariffs listed in this item shall be payable where water, used solely for household purposes or sport clubs, has been supplied.

For Flats, Townhouses, Duets and other similar types of improvements the total units consumed is divided by the number of consumers (Flats, Townhouses, Duets, etc.) as per the sliding scale below for household use.

Sports clubs referred to in this segment are only those that were incorporated in the Council's Sport Club Scheme. If not, these are to be treated as a business.

If a small business is conducted as a primary right in terms of a Town Planning Scheme from a property used for household purposes, and the connection size is either a 15mm or 20mm connection, the tariffs in the table below shall apply. However, any connection which is greater than 20mm and the property is not exclusively used for residential purposes, shall be charged in terms of business tariffs as detailed in 3.6 below.

Consumption charges:

Tariff Structure	Tariff 2024/25	Tariff 2025/26
0 – 6 kl / month	11.97	13.28
7 – 15 kl / month	30.11	33.42
16 – 30 kl / month	34.49	38.62
31 – 60 kl / month	43.27	48.02
61 or more kl / month	53.20	59.05

Basic Availability (fixed) charges:

Tariff Code – BW091

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Applicable to all water meters for users including prepaid meters as per 3.1, except for households where the market value of the property is below R 100 000	47.52	52.75

3.2 Indigent Households:

Tariff Code – WAIN91

The tariffs under this item is applicable to all registered indigents as per the Council's indigent policy.

All registered indigent account holders will be granted a total of 6 kl free basic water consumption subject to the stipulations of the Council's indigent policy.

The 6kl free basic water consumption will be recovered at a rate it takes the municipality to provide the services.

Consumption charges:

Tariff Structure	Tariff 2024/25	Tariff 2025/26
0 – 6 kl / month	0.00	0.00
7 – 15 kl / month	30.11	33.42
16 – 30 kl / month	34.49	38.62
31 – 60 kl / month	43.27	48.02
61 or more kl / month	53.20	59.05

Basic availability (fixed) charges:

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Applicable to all water meters for users including prepaid meters as per 3.1, except for households where the market value of the property is below R 100 000	0.00	0.00

3.3. Private Internal Water Leaks

In case of exceptionally high meter readings of water consumption, due to leaks from a private internal pipeline, the General Manager: Revenue Management or his nominee, may determine that the excess consumption be levied at R17.00 per kiloliter. A reduction in consumption is required as well as proof of the leak been rectified as substantiated by a plumber's invoice or affidavit from the consumer which must be submitted to the municipality. The commencement date of such period to be determined in the entire discretion of the said General Manager.

3.4. Informal settlements

Tariff Code – WAIC91

Tariff Structure	Tariff 2024/25	Tariff 2025/26
This item is applicable in cases where stands units are supplied by means of a standpipe (no stand connection available). A basic charge of fee plus 6kl excl VAT may be charged and recovered; which will be recovered from the equitable shares	0.00	

3.5. Unmetered and/or Unread Connections

Tariffs payable in respect of un-metered connections where the Water Supply By-laws of the Council do not provide an alternative method for calculating consumption or estimating consumption for purposes of interim charges: -

3.5.1 Household use:

Tariff Code – BW0097/BW0107/BW0108

Any premises, including vacant stands, where Council Water Supply is available, but the supply is not directly connected to the Council's water reticulation system, the monthly minimum basic charge below maybe levied until such time that the relevant premises including vacant stands, have been connected where after the tariff sliding scale in item 3.1 will apply.

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Fixed rate per month.	75.76	84.09

3.5.2. Unmetered consumption

Where a meter is not connected but there's consumption going through the meter a Basic Charge as per 3.1 and 6kl with will be billed

For prepaid basic charge plus 12 kl.

3.6. Business and Other Use:

Businesses and State Owned
Schools and Places of Worship
Industries
South African Defense Force
Combination meters

Tariff Code – WA0090
Tariff Code – WA0092
Tariff Code – WA0093
Tariff Code – WA0095
Tariff Code – WA0101

These tariffs apply to e.g. the following uses: business and commercial, industrial, state owned, mining, schools, crèches, sport clubs including sport clubs, private hostels, private hospitals and clinics, agriculture, temporary connections for building or business use.

New developers during construction phase will be charged at the business tariff rate as specified under this item for the duration of the development. After the development is complete, the property or properties will be charged at the rate as applicable to the category of the property that was developed.

Consumption charges:

Tariff Structure	Tariff 2024/25	Tariff 2025/26
0 – 60 kl / month	30.84	34.23
61 – 100 kl / month	44.15	49.00
101 or more kl / month	55.12	61.18

Service Charges

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Fixed rate per month.	1055.00	1171.05
Applicable to all meters noted under item 3.6 except tariff WA0101		

3.7 Fire meters

Tariff Code – WA0084

A Fire meter is installed as per the building regulations; consumption will be charged as the use occurs. This meter is intended to measure water consumption when the property experiences fire challenge.

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Fixed rate per kl / month	40.86	45.35

3.8. Unmetered and/or Unread Connections

Tariffs payable in respect of un-metered connections where the Water Supply By-laws of the Council do not provide an alternative method for calculating consumption or estimating consumption for purposes of interim charges: -

3.8.1 Business and other uses

Businesses and other

Tariff Code – BW0105

Any premises, including vacant stands, where Council Water Supply is available, but the supply is not directly connected to the Council's water reticulation system, the monthly minimum basic charge below will be levied until such time that the relevant premises including vacant stands, have been connected where after the tariff sliding scale in item 3.6 will apply.

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Fixed rate per month.	1837.50	2039.62

3.9 Sewerage Effluent

3.9.1 Purified Sewerage Effluent

Tariff Code – WA0087

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Fixed rate per kl / month	3.27	3.66

3.9.2 Raw Sewerage Effluent

Tariff Code – WA0088

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Fixed rate per kl / month	2.85	3.19

3.10 Municipal Departmental:

Exclusive of VAT

Tariff Code – WA0096

Inclusive of VAT

Tariff Code – WA0996

These include the charges for the consumption of water between municipal properties to record interdepartmental charges between the different Directorates of Council.

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Fixed rate per kl / month	78.84	88.30

3.11 Boreholes

Tariff Code – BW0098

A borehole, for the purposes of this document, is a narrow shaft bored in the ground, either vertically or horizontally which is used primarily for the extraction of water.

This tariff will apply to all categories of properties as noted in item 3, except for item 3.2, 3.6 and 3.9.

This tariff will apply to all properties with a borehole as noted above irrespective of whether a water connection has been made to the property.

This tariff will only be applicable where there's no municipal water meter installed.

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Fixed rate per month.	151.30	R167.94

CONSUMPTION TARIFFS WHEN UNDER WATER RESTRICTIONS National draughts– LEVEL 2

The tariffs noted under this section becomes applicable as soon a notice is issued by the Department of Water Affairs and Sanitation in terms of item 6(1) of Schedule 3 to the National Water Act of 1998 (Act No. 36 of 1998) regarding the limitation of use of water.

This is the first phase of restrictions that will be applied should restrictions be implemented. Please refer to item 5 should

additional restrictions be required to be implemented.

4.1 Household Use
Sport Clubs
Flats, Townhouses, Duets

Tariff Code – WA0091
Tariff Code – WA0086
Tariff Code – WA0113

Consumption charges:

Tariff Structure	Tariff 2024/25	Tariff 2025/26
0 – 6 kl / month	11.97	13.40
7 – 15 kl / month	30.11	33.72
16 – 30 kl / month	46.40	51.96
31 – 60 kl / month	77.78	87.11
61 or more kl / month	108.85	121.91

Basic availability (fixed) charges:

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Applicable to all water meters for users including prepaid meters as per 4.1, except for households where the market value of the property is below R 100 000	47.52	53.22

4.2 Indigent Households:

Tariff Code – WAIN91

Consumption charges:

Tariff Structure	Tariff 2024/25	Tariff 2025/26
0 – 6 kl / month	0.00	0.00
7 – 15 kl / month	30.11	33.72
16 – 30 kl / month	46.40	51.96
31 – 60 kl / month	77.78	87.11
61 or more kl / month	108.85	121.91

Availability (fixed) charges:

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Applicable to all water meters for users including prepaid meters as per 4.1, except for households where the market value of the property is below R 100 000	0.00	0.00

4.3 Business and Other Uses:
Businesses
Schools and Churches
Industries
South African Defense Force
Combination meters

Tariff Code – WA0090
Tariff Code – WA0092
Tariff Code – WA0093
Tariff Code – WA0095
Tariff Code – WA0101

Consumption charges:

Tariff Structure	Tariff 2024/25	Tariff 2025/26
0 – 60 kl / month	30.84	34.54
61 – 100 kl / month	79.41	88.93
101 or more kl / month	144.79	162.16

Service (fixed) charges:

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Fixed rate per month.	1141.20	1278.14

4.4 Fire meters**Tariff Code – WA0084**

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Fixed rate per kl / month	49.49	55.42

4.5. Municipal Departmental:
Exclusive of VAT
Inclusive of VAT
Tariff Code – WA0096**Tariff Code – WA0996**

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Fixed rate per kl / month	91.56	102.54

5. CONSUMPTION TARIFFS WHEN UNDER WATER EMERGENCY SITUATION – LEVEL 3

The tariffs noted under this section becomes applicable as soon a notice is issued by the Department of Water Affairs and Sanitation in terms of item 6(1) of Schedule 3 to the National Water Act of 1998 (Act No. 36 of 1998) regarding the limitation of use of water.

This is the final phase of restrictions that will be applied should restrictions be implemented. Please refer to item 4 regarding the first phase of restrictions to be implemented.

5.1 Household Use**Sport Clubs****Flats, Townhouses, Duets****Tariff Code – WA0091****Tariff Code – WA0086****Tariff Code – WA0113****Consumption charges:**

Tariff Structure	Tariff 2024/25	Tariff 2025/26
0 – 6 kl / month	11.97	13.40
7 – 15 kl / month	30.11	33.72
16 – 30 kl / month	46.40	51.96
31 – 60 kl / month	73.82	82.67
61 or more kl / month	107.67	120.59

Basic availability (fixed) charges:

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Applicable to all water meters for users as per 5.1, except for households where the market value of the property is below R 100 000 or for prepaid water meters.	47.52	53.22

5.2 Indigent Households: Tariff Code – WAIN91**Consumption charges:**

Tariff Structure	Tariff 2024/25	Tariff 2025/26
0 – 6 kl / month	0.00	0.00
7 – 15 kl / month	30.11	33.72
16 – 30 kl / month	46.40	51.96
31 – 60 kl / month	73.82	82.67
61 or more kl / month	107.67	120.59

Basic availability (fixed) charges:

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Applicable to all water meters for users as per 5.1, except for households where the market value of the property is below R 100 000 or for prepaid water meters.	0.00	0.00

5.3 Business and Other Uses:**Businesses****Tariff Code – WA0090****Schools and Churches****Tariff Code – WA0092****Industries****Tariff Code – WA0093****South African Defense Force****Tariff Code – WA0095****Combination meters****Tariff Code – WA0101****Consumption charges:**

Tariff Structure	Tariff 2024/25	Tariff 2025/26
0 – 60 kl / month	30.84	34.54
61 – 100 kl / month	84.17	94.27
101 or more kl / month	157.82	176.75

Service (fixed) charges:

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Fixed rate per month.	1141.20	1278.14

5.4 Fire meters Tariff Code – WA0084

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Fixed rate per kl / month	52.48	58.77

**5.5 Municipal Departmental:
Exclusive of VAT
Inclusive of VAT**

Tariff Code – WA0096

Tariff Code – WA0996

Tariff Structure	Tariff 2024/25	Tariff 2025/26
Fixed rate per kl / month	96.26	107.81

6. CONNECTION PIPES, WATER CONNECTIONS INCLUDING FIRE CONNECTIONS OR UPGRADING OF SUCH CONNECTIONS, METERING OF UNMETERED CONNECTIONS AND OTHER CHARGES

6.1 New water connections

The following tariffs or charges are payable in respect of the installation of connection pipes and water connections including fire connections. This will also be applicable to new connections for prepaid meters.

Meter Size	Tariff 2024/25	Tariff 2025/26
15mm	7 085.00	7 935.20
20mm	8 338.50	9339.12
Greater than 20mm	Quotation	Quotation

If there is an existing connection to water through conventional means and the consumer wants to install a prepaid meter, the following fee is applicable:

Meter Size	Tariff 2024/25	Tariff 2025/26
15mm	1 340.70	1 800.00
20mm	1 353.00	2 200.00
Any other sizes	On a Quotation Basis	On a Quotation Basis

This will not apply to areas covered under the municipalities' prepaid conversion strategy.

6.2 Testing of water meters

The amount is to be paid as a deposit for the testing of a meter if the customer suspects that a meter is faulty or providing inaccurate readings. If the result of the testing of the meter indicates that the meter is faulty, the deposit will be refunded to the customer. If the result of the testing of the meter indicates that the meter is NOT faulty, the customer will relinquish the deposit.

Meter Size	Tariff 2024/25	Tariff 2025/26
Residential Meters (15/20 mm)	1 540.00	1 900.00
Non-Residential Meters (25 mm and above)	7 150.00	7 621.90

6.3 Removal of water meters

The following fees apply when there is a request to remove a water meter from a customer.

Meter Size	Tariff 2024/25	Tariff 2025/26
15mm, 20mm and 25mm	2 464.00	2 700.00
40mm, 50mm, 80mm, 100mm and 150mm	QUOTATION	QUOTATION

6.4 Reconnection of water meter

The following fees apply when a meter was disconnected on a property in terms of the debt and credit collection policy.

This is the fee that must be paid to reconnect the water on the property.

Classification	Tariff 2024/25	Tariff 2025/26
Residential	1 362.50	1 526.00
Non-Residential	3 815.00	4 272.80

6.5 Penalties on illegal connections

The consumer will also be charged for estimated consumption during the period of illegal connection. Further to that the municipality may remove the water connection from the property and will only re-instate as and when account is settled in full including any penalties or other charges.

6.5.1 Bypassing of meters

The following fees is applicable when a meter is bypassed in any means by a customer.

Meter Size	Tariff 2024/25	Tariff 2025/26
15mm and 20mm	17 600.00	19 712.00
25mm, 40mm, 50mm, 80mm, 100mm and 150mm	33 000.00	36 960.00

6.5.2 Straight connections

A straight (direct) connection is when a water meter has been removed illegally or any other means was implemented to have a water connection without it being measured by a water meter or other means as per the approved policies of the municipality.

The following fees is applicable when a straight (direct) connection has been made on a property.

Meter Size	Tariff 2024/25	Tariff 2025/26
15mm	28 050.00	29 901.30
20mm	28 050.00	29 901.30
25mm, 40mm, 50mm, 80mm, 100mm and 150mm	To be determined by case	To be determined by case

6.6 Reinstatement of supply of water

When there is tampering or where the water connection was discontinued in line with the debt and credit collection policy or any other policy of the municipality, the following fees are payable in respect of those items: -

6.6.1 Due to tampering

Meter Size	Tariff 2024/25	Tariff 2025/26
15mm	2 970.00	3 166.02
20mm	3 190.00	3 400.54
25mm	6 380.00	6 801.08
40mm	6 600.00	7 035.60
50mm	24 200.00	25 797.20
80mm	30 800.00	32 832.80
100mm	35 200.00	37 523.20
150mm	90 200.00	96 153.20

6.6.2 Following discontinuation / demolitioning

Meter Size	Tariff 2024/25	Tariff 2025/26
15mm,20mm and 25mm	24 200.00	25 797.20
40mm, 50mm, 80mm,100mm and 150mm	57 200.00	60 975.20

6.7 Deposits for new water connections

When a new connection for water is made or when an account is opened, the following deposits will be required to be paid upon registration of an account (or by any means as allowed by the municipality policies and procedures). This deposit will be refunded upon request when an account is closed. A standard deposit amount may be charged where the consumer is converting to a prepaid water meter that is awaiting installation.

Meter Size	Category of property	Tariff 2024/25	Tariff 2025/26
15mm	Residential	700.00	770.00
20mm	Residential	2 000.00	2 200.00
15mm, 20mm and 25mm	Business and other	12 000.00	13 200.00
40mm – 50mm	Business and other	30 800.00	33 880.00
80mm	Business and other	82 500.00	90 750.00
100mm – 150mm	Business including developers	148 500.00	162 800.00
100mm – 150mm	Residential and body corporate	105 600.00	116 160.00
50mm	Hydrant Standpipes	25 300.00	27 830.00

6.8 Purchasing of Prepaid Metering Device

The Municipality may charge a fee for the replacement of a pre-paid user interface device (UIU). The fee is subject to an exclusion of approved indigent household with a condition that the device is not damaged by the client. The fee will be determined by council from time to time.

Type	Tariff 2024/25	Tariff 2025/26
New User Interface Device (UIU)	696.00	740.00
Refurbished User Interface Device (UIU)	321.00	343.00

THE FOLLOWING SHALL BE NOTED:

1. That Mangaung Metropolitan Municipality shall have the right to restrict the water supply to any customer who has unsettled debt with the Municipality.
2. The figures as quoted in this Schedule of Tariffs **EXCLUDE** Value Added Tax.

These tariffs shall be read in conjunction with the By-laws for the Supply of Water Services as published by the Mangaung Metropolitan Municipality

LEGISLATION COMPLIANCE STATUS

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

1. **In Year Reporting**
Reporting to National Treasury in electronic format was fully complied with monthly. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published performance on the municipality's website.
2. **Internship Programme**
The municipality is participating in the Municipal Financial Management Internship programme and has employed three (3) interns undergoing training in various divisions of the Financial services Departments.
3. **Budget and Treasury Office**
The Budget and Treasury Office has been established in accordance with the MFMA.
4. **Audit Committee – Internal Audit – Me A Schmidt**
The committee is functioning with 4 appointed members.
5. **Risk Management**
The Chief Risk Officer was appointed since 1 October 2018. To date the strategic risk register had been completed and most of the operational risk registers.
6. **Service Delivery and Implementation Plan**
The detail SDBIP document is at a draft stage and will be finalised after approval of the 2024/25 MTREF in March 2023.
7. **Annual Report**
Annual Report for the 2023/24 financial year is compiled in terms of the MFMA and National Treasury requirements and was noted by the Council on the 31 January 2025.
8. **Property Rates Act**
The new Municipal Property Rates Act No 6 of 2004 was fully implemented on the 1st of July 2009. The amended Municipal Property Rates Act was fully implemented on 1 July 2022.



CITY MANAGER'S QUALITY CERTIFICATION

I, **Sello More**, the Municipal Manager of the Mangaung Metropolitan Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipality Finance Management Act and the regulations made under the Act and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the Municipality

Print name:

Municipal Manager of the Mangaung Metropolitan Municipality (MAN)

Signature: _____

Date: _____

MAN Mangaung - Contact Information			
A. GENERAL INFORMATION			
Municipality	MAN Mangaung	Set name on 'Instructions' sheet	
Grade	6	1 Grade in terms of the Remuneration of Public Office Bearers Act.	
Province	FREE STATE		
Web Address	mangaung.co.za		
B. CONTACT INFORMATION			
Postal address:			
P.O. Box	3704		
City / Town	Bloemfontein		
Postal Code	9300		
Street address			
Building	Bram fischer Building		
Street No. & Name	5 De Villiers Street		
City / Town	Bloemfontein		
Postal Code	9301		
General Contacts			
Telephone number	051 405 8911		
Fax number	051 405 8101		
C. POLITICAL LEADERSHIP			
Speaker:		Secretary/PA to the Speaker:	
ID Number		ID Number	
Title	Dr.	Title	Mr
Name	L Mathae	Name	V Makhele
Telephone number	051 405 8007	Telephone number	051 405 8411
Cell number	061 455 1438	Cell number	067 922 8977
Fax number		Fax number	051 405 8971
E-mail address	lawrence.mathae@mangaung.co.za	E-mail address	vivian.makhele@mangaung.co.za
Mayor/Executive Mayor:		Secretary/PA to the Mayor/Executive Mayor:	
ID Number		ID Number	
Title	Mr	Title	Ms
Name	G Nthatsi	Name	T Patho
Telephone number	051 405 8667	Telephone number	051 405 8467
Cell number	082 741 6442	Cell number	084 739 0945
Fax number	051 405 8676	Fax number	051 405 8676
E-mail address	gregory.nthatsi@mangaung.co.za	E-mail address	thembisile.phatho@mangaung.co.za
Deputy Mayor/Executive Mayor:		Secretary/PA to the Deputy Mayor/Executive Mayor:	
ID Number		ID Number	
Title	Ms	Title	Ms
Name	L Titi - Odili	Name	S Mthini
Telephone number	051 405 8667	Telephone number	051 405 8409
Cell number	076 266 0414	Cell number	076 706 6626
Fax number		Fax number	
E-mail address	lulama.titi-odili@mangaung.co.za	E-mail address	sindiswa.mthini@mangaung.co.za
D. MANAGEMENT LEADERSHIP			
Municipal Manager:		Secretary/PA to the Municipal Manager:	
ID Number		ID Number	
Title	Mr	Title	Mr
Name	S More	Name	T Milela
Telephone number	051 405 8621	Telephone number	051 405 8621
Cell number	084 410 7535	Cell number	0732979001
Fax number		Fax number	
E-mail address	sello.more@mangaung.co.za	E-mail address	thamsanqa.milela@mangaung.co.za
Chief Financial Officer		Secretary/PA to the Chief Financial Officer	
ID Number		ID Number	
Title	Ms	Title	Ms
Name	ZL Thekiso	Name	Petunia Wettes
Telephone number	051 405 8625	Telephone number	051 405 8625
Cell number	082 756 5659	Cell number	083 419 6673
Fax number	051 405 8793	Fax number	051 405 8787
E-mail address	zuziwe.thekiso@mangaung.co.za	E-mail address	petunia.ramagaga@mangaung.co.za
Official responsible for submitting financial information			
ID Number			
Title	Mr		
Name	H van Zyl		
Telephone number	051 405 8627		
Cell number	082 781 6981		
Fax number	051 405 8793		
E-mail address	hansie.vanzyl@mangaung.co.za		
Official responsible for submitting financial information			
ID Number			
Title	Mr		
Name	Arrie Bartnis		
Telephone number	051 405 8501		
Cell number	071 871 5988		
Fax number	051 405 8793		
E-mail address	arrie.bartnis@mangaung.co.za		

NOTES

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MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK

Council Resolution No 103.2 – 27/05/2025

LESLEY MONNANYANE

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Mangaung Municipality, 9300*

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*Call Centre Number
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Bloemfontein, 9301*

*WhatsApp Number
065 5866 261*

