

ITEM NO: K(ii) 01(02/2026)

REPORT: APPROVED ADJUSTMENT BUDGET FOR 2025/2026

COUNCIL: 25 MARCH 2026

REPORT OF THE EXECUTIVE MAYOR

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1. PURPOSE OF THE REPORT

The purpose of this report is to table before Mayoral Committee the proposed adjustments on the approved 2025/2026 Operational and Capital Budget and the two outer years for the approval thereof as required by the following:

- MFMA Section 28 (1) (2) (a)(b)(d)(e)(f) and (g).
- Municipal Budget and Reporting Regulations (MBRR) section 23 (1).

In accordance with Section 18 of the Municipal Finance Management Act (MFMA), the budget is fully funded, with planned expenditure supported by realistically anticipated revenue. Projections of future revenue are informed by historical collection trends, ensuring that the estimated income is credible and attainable. A funded budget does not indicate the presence of unlimited cash reserves; rather, it confirms that expenditure has been structured to align with expected and sustainable revenue levels.

2. BACKGROUND

2.1 Municipal Finance Management Act (MFMA) section 28 (2) (a)(b)(d)(e)(f) and (g) respectively states that –

1. “A municipality may revise an approved annual budget through an adjustment budget”.
2. “An adjustments budget –
 - a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year.
 - b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for.
 - c) may, within a prescribed framework, authorize unforeseeable and unavoidable expenditure recommended by the mayor of the municipality.
 - d) may authorize the utilization of projected savings in one vote towards spending under another vote.

e) may authorize the spending of funds that were unspent at the end of the part financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council.

f) may correct any errors in the annual budget: and

g) may provide for any other expenditure within a prescribed framework.

2.2 MBRR (Municipal Budget and Reporting Regulations 23 (1) states that –

- 1) An adjustment budget referred to in section 28 (2) (b), (d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year and performance assessment has been tabled in the council, but not later than 28 February of the current year.

3. DISCUSSION

The municipality's financial performance from the start of the financial year to 31 December 2025 indicates that budget items should be reviewed and aligned with actual income received and expenditure incurred, ensuring that spending is based on realistically anticipated revenue to be collected.

The discussion will cover Operating financial management review and Capital budget management review.

4. FINANCIAL IMPLICATIONS

4.1. Operating Financial Management Review

The municipality approved the budget which sets out revenue and expenditure targets. The mid-year budget and performance report is a tool to review the progress that has been made by the Municipality in realizing the targets it had set for itself at the beginning of the financial year. Furthermore, the Accounting Officer submits regular Section 71 Reports to the Mayor and other spheres of government on the monthly financial performance of the municipality. This approved adjustment budget is prepared based on the six months actuals and departmental consultation was performed from 19 - 30 January 2026 to align the budget with six months actuals.

Table 1: Summary of Financial Performance Revenue and Expenditure (including Opex & Capex)

2025-2026 APPROVED MID-TERM REVENUE & EXPENDITURE FRAMEWORK (MTREF) ADJUSTMENT BUDGET									
Statement of Financial Performance									
Description	mSCOA code 6.8	Audited Actuals - 30 June 2025		6 months Actuals - 31 Dec 2025		Approved Original 2025/2026 Budget		Approved 2025/2026 Adjustment Budget	
									%
Total Operating expenditure		4 434 372 816	2 198 021 482	5 087 451 130	- 111 577 833	-2.2%	4 975 873 298		
Operating surplus/(deficit)		245 393 597	544 408 435	623 126 639	73 640 888	11.8%	713 836 462		
Capital grants - National	2010	314 096 151	149 934 430	373 307 262	2 087 738	0.6%	375 395 000		
Capital grants - Provincial	2020	1 470 159	-	1 430 000	- 930 000	-65.0%	500 000		
Own Funded required capital	2080	132 579 103	50 893 967	211 797 626	56 069 691	26.5%	267 867 317		
Total capital expenditure		448 145 413	200 828 397	586 534 888	57 227 429	9.8%	643 762 317		
Total Expenditure (opex & capex)		4 882 518 229	2 398 849 879	5 673 986 018	- 54 350 405	-0.96%	5 619 635 615		
Surplus(Deficit)		-	343 580 038	36 591 751	33 482 396	92%	70 074 145		

4.1.5 The approved mid-year adjustment budget for 2025/26 is based on total projected revenue of R5.7 billion, with projected operating expenditure of R4.9 billion and capital expenditure of R641 million, resulting in a projected surplus of R70 million. This reflects an improvement of R33,5 million in the surplus compared to the original budget.



Table 2: Statement of Financial Performance Revenue

2025-2026 APPROVED MID-TERM REVENUE & EXPENDITURE FRAMEWORK (MTREF) ADJUSTMENT BUDGET

Description	mscoa code_6.	6 months Actuals - 31 Dec 2025		Approved Original Budget 2025/2026		Approved Adjustment		%
		15 June 2025	31 Dec 2025	2025/2026	2025/2026	2025/2026	Adjustments	
Statement of Financial Performance								
Revenue		1 591 760 607	832 726 913	1 961 926 891	-198 426 085	-10.11%	1 763 500 806	
Service charges - electricity revenue	0300	527 419 132	251 946 857	713 900 581	-107 114 084	-15.0%	606 786 497	
Service charges - waste water management	0400	335 024 419	174 111 733	386 460 139	-27 694 805	-7.2%	358 765 334	
Service charges - waste management	0500	146 731 232	86 657 643	162 653 232	10 662 054	6.6%	173 315 286	
Revenue Foregone - Indigents Subsidies	n11	126 157 398	-	-	-	0%	-	
Total Service Charges	2 474 777 992	1 345 443 147	3 224 940 843	-322 572 920		-10.0%	2 902 367 923	
Sale of Goods and Rendering of Services	0700	-	14 716 155	26 042 314	-	0.0%	26 042 314	
Income from agency services	0800	26 250 054	56 640 872	65 153 508	48 128 236	73.9%	113 281 744	
Interest	0900	-	-	-	-	0%	-	
Interest received - Outstanding debtors	1000	209 017 632	71 760 627	171 327 316	-	0.0%	171 327 316	
Interest received - investments	1100	22 966 187	10 065 043	20 860 000	-	0.0%	20 860 000	
Dividends received	1200	34 746	-	-	-	0%	-	
Rent on land	1300	-	-	-	-	0%	-	
Rental of facilities and equipment	1400	6 595 700	2 870 897	5 550 079	-	0.0%	5 550 079	
Exchange Revenue / Licence and permits	1500	26 210	-	-	-	0%	-	
Exchange Revenue / Operational Revenue	1600	31 635 337	34 922 268	44 448 160	-	0.0%	44 448 160	
Gains on disposal of PPE	1601	17 272 031	-	-	-	0%	-	
Total revenue from exchange transactions	2 788 575 889	1 536 419 009	3 558 322 220	-274 444 683		-7.7%	3 283 877 536	
Revenue from non - exchange transactions								
Taxation revenue		731 732 916	437 422 525	920 927 737	58 808 749	6.4%	979 736 486	
Property Rates	1800	-	-	-	-	0%	-	
Add: Estimated Property Supplementary Value	1801	-	-	-	-	0%	-	
Property Rates Net of Revenue Foregone	1900	731 732 916	437 422 525	920 927 737	58 808 749	6.4%	979 736 486	
Surcharges and Taxes	2000	-	314 652	43 179 880	-	0.0%	43 179 880	
Fines and Penalties Imposed	2100	53 520 044	30 539 732	37 746 690	60 000 000	159.0%	97 746 690	
Non-Exchange Revenue / Licences or permits	2200	-	11 756	1 056 165	-	0.0%	1 056 165	
Operational grants & subsidies	2300	751 816 842	541 267 328	729 962 507	91 697 786	12.6%	821 660 293	
Capital grants & subsidies	2400	315 552 395	172 424 595	374 447 028	1 447 972	0.4%	375 895 000	
Interest	2500	16 870 519	23 840 277	44 850 644	-	0.0%	44 850 644	
Fuel Levy	2600	-	-	-	-	0%	-	
Non-Exchange Revenue / Operational Revenue	2500	-	-	-	-	0%	-	
Gains on disposal of Assets	2600	17 144 577	189 043	84 898	20 000 000	0%	20 000 000	
Other Gains	2700	4 553 231	-	-	17 068 937	20105.2%	17 153 835	
Transfers and subsidies - capital (in-kind)	4700	-	-	-	4 553 231	0%	4 553 231	
Total revenue from non - exchange transactions	1 891 190 524	1 206 010 908	2 152 255 549	236 507 738		11.0%	2 405 832 224	
Total operating revenue	4 679 766 413	2 742 429 918	5 710 577 769	-37 936 946		-0.7%	5 689 709 760	

4.2. Revenue Analysis

Revenue from exchange transactions

4.2.1 Electricity revenue

Electricity revenue has decreased by 10.1% to R1.76 billion, compared to the original budget of R1.9 billion due to the following:

- 4.2.1.1 The municipality has incurred electricity distribution losses amounting to R108 million over the past six months, which have negatively impacted electricity revenue.
- 4.2.1.2 The 2025/2026 Original Budget was prepared based on NERSA-approved restructured tariffs implemented in July 2024. While the tariff restructuring has led to a gradual improvement in revenue, the cost of supply study revealed that a tariff increase of 17% is required to achieve full cost reflectivity. Furthermore, during the 2024/2025 financial year, the municipality paid R267 million to Eskom in basic charges, of which only an estimated R206 million can be recovered from customers through basic charges.
- 4.2.1.3 However, in preparing the 2025/26 Original Budget, affordability considerations led to the approval of a lower, minimal tariff increase, which is insufficient to fully recover the cost of electricity supply. In addition, the municipality reduced the electricity basic charge from R750 to R414, resulting in an estimated revenue loss of approximately R77 million.
- 4.2.1.4 Revenue has been further negatively impacted by changes in consumer behavior, including the conversion from conventional (billable) meters to prepaid (non-billable) meters, amounting to 4.6 million kWh, as well as the migration of some consumers from three-phase to two-phase electricity connections.

4.2.2 Water revenue

Water revenue decreased by 15%, amounting to R107 million, based on mid-year actual performance compared to the approved 2025/26 budget as follows:

4.2.2.1 Despite year-on-year consumption levels remaining relatively stable, revenue has declined mainly due to high levels of non-revenue water (NRW). This is driven by leaks, pipe bursts, illegal connections, and ageing infrastructure, all of which have reduced billable volumes.

4.2.2.2 Water distribution losses over the past six months are estimated at R64 million, leading to a reduction in revenue. Based on current trends, historical consumption patterns, and anticipated water losses with the approach of the winter season, cumulative losses are expected to increase by a further R50 million.

4.2.3 Sanitation

Sanitation revenue decreased by 7.2% to R27.6 million compared to the approved budget. The underperformance is directly linked to water consumption trends, as sanitation charges are largely consumption-based and billed in conjunction with water usage. Reduced billable water volumes, together with billing adjustments arising from reconciliations, have therefore resulted in a corresponding decline in sanitation revenue.

4.2.4 Refuse revenue

Refuse removal revenue increased by 6.6% compared to the approved original budget. The increase is attributed to improved billing accuracy and updated property data, which resulted in higher actual revenue collection than initially projected.

4.2.5 Income from agency services

Income from agency services increased by R48 million compared to the approved original budget. This increase is attributable to the anticipated influx of operating

license applications following the appointment of the Kagiso Traffic Office by the Gauteng Department of Roads and Transport as the designated application Centre for the West Rand region. The expanded service scope is expected to significantly increase application volumes and associated agency revenue during the financial year.

4.2.6 Rental of facilities

Revenue from the rental of facilities is expected to remain unchanged compared to the original budget, as no significant changes in utilization levels are anticipated during the period under review.

4.2.7 Interest received from investment

Interest income from investments is projected to remain in line with the approved original budget. Revenue earned during the first six months of the financial year is on track and indicates that the Municipality is likely to achieve the targeted budget by year-end.

4.2.8 Interest received - Outstanding debtors

Interest received from outstanding debtors remained unchanged during the reporting period. The level of interest income generated from overdue accounts was consistent with prior year performance, indicating that there was no significant movement in the collection of long-outstanding debts.

4.2.11 Sale of goods and rendering of services

Revenue from the sale of goods and rendering of services is projected to remain unchanged compared to the original budget, as no significant changes in service levels, or demand are anticipated during the period under review.

4.2.12 Exchange revenue/operational revenue

Operational revenue is expected to remain unchanged compared to the original budget, as the revenue realized mainly relates to small and bulk once-off connections, which are not recurring in nature.

Revenue from non-exchange transactions

4.2.13 Property rates

Property rates increased by 6.4%, reaching R59 million based on mid-year actual performance. This growth is largely attributed to:

4.2.13.1 The implementation of the new General Valuation Roll, which commenced at the beginning of the financial year and resulted in updated property valuations across the municipality. The revised valuations expanded the rates base and improved billing accuracy, contributing positively to revenue performance.

4.2.14 Traffic Fines

Traffic fines increased by R60 million, compared to the original budget. This increase is primarily attributable to enhanced enforcement of road traffic laws through the re-introduction of speed cameras and the implementation of roadblocks. These enforcement measures have improved compliance and significantly strengthened revenue collection from traffic fines.

4.2.15 Operation and Capital grants

Operational grants

Operating grants increased by 12.6% as compared to the approved original budget, mainly due to:

4.2.15.1 An additional allocation of R20 631 000 from National Treasury under the Neighbourhood Development Partnership Grant (NDPG). Additional funding was provided to support the implementation of the Mogale City

Local Municipality's PPPSG work plan and will be utilized to fund Mogale City BFI Programme Preparation and Feasibility Study.

- 4.2.15.2 An amount of R72 million attributable to the write-off received in terms of the Eskom Debt Relief Programme. The municipality received the first debt write-off in the prior financial year and is anticipating a second write-off to be approved by National Treasury during the 2025/2026 financial year. This is non-cash in nature and therefore do not have a direct impact on the municipality's cash flow, as the revenue will be used to reduce the Eskom liability reflected in the statement of financial position.

Capital grants

- 4.2.15.3 A total of R930 000 from capital grant for Sports, Recreation, Arts and Culture (SRAC) was reallocated to operational grant.
- 4.2.15.4 An amount of R2 million was reallocated from operational grant to capital grant for Urban Infrastructure Development Grant (UIDG).

4.2.16 Transfers and subsidies Capital (in-kind)

The municipality anticipates receiving a donation of assets from the Department of Water and Sanitation amounting to R4,5 million.

4.2.17 Gains on disposal of land

An increase of R20 million is reflected compared to the original budget, as the municipality anticipates proceeds from the sale of land previously auctioned, which are expected to be received from auctioneers/attorneys upon finalization of ownership transfers at the Deeds Office. And furthermore, municipality anticipate receiving proceeds from sale of movable assets (old fleet).

4.2.18 Other gains

Other gains increased by R17 million compared to the original budget, primarily due to actuarial gains and losses that were not anticipated in the original budget.

4.3. Expenditure Analysis

Table 3: Statement of Financial Performance Expenditure

2025-2026 APPROVED MID-TERM REVENUE & EXPENDITURE FRAMEWORK (MTREF) ADJUSTMENT BUDGET

Description	Audited Actuals - 30 June 2025		5 months Actuals - 31 Dec 2025		Approved Original 2025/2026 Budget		Total Adjustments		%	Approved 2025/2026 Adjustment Budget	
	mSCOA code_6.8										
Statement of Financial Performance											
Expenditure											
Employee related costs	3100	1 063 252 957	566 187 026	1 203 521 899	-	7 827 141	-0.7%	1 195 694 758			
Remuneration of Councilors	3200	40 095 260	20 980 198	51 633 823	-	-	0.0%	51 633 823			
Bulk purchases : Electricity	3300	1 280 324 648	674 946 137	1 520 376 057	-106 318 402	-6.99%	1 414 057 655				
Other materials & Inventory Consumed	3400	559 527 259	317 652 644	704 720 672	-34 225 237	-4.9%	670 495 435				
Water Inventory	3401	-	-	-	-	-	0%	-			
Debt impairment	3500	406 407 634	134 404 934	386 424 186	47 424 729	12.3%	433 848 916				
Depreciation and amortisation	3600	242 913 613	122 513 587	286 928 023	-36 000 000	-12.5%	250 928 023				
Impairment loss/Reversal of impairments	3601	82 316 424	-	-	-	-	0%	-			
Finance costs	3700	18 487 019	5 584 443	18 494 426	-	-	0.0%	18 494 426			
Collection costs	4101	22 213 920	-	-	-	-	0%	-			
Contracted services	3800	377 626 297	237 763 401	621 933 143	17 002 618	2.7%	638 935 761				
Grants and subsidies paid	3900	2 937 157	2 799 623	10 685 670	-	-	0.0%	10 685 670			
Irrecoverable debts written off	4000	-	-	-	-	-	0%	-			
Operational costs	4100	245 163 146	114 901 347	282 712 831	8 365 600	3.0%	291 078 431				
Losses on disposal of Assets	4200	-	-	-	-	-	0%	-			
Other Losses	4300	93 107 482	288 142	20 400	-	-	0.0%	20 400			
Total Operating expenditure		4 434 372 816	2 198 021 482	5 087 451 130	-111 577 833	-2.2%	4 975 873 298				

4.3.1 Employee-related cost.

Employee-related costs were reduced by R7,8 million. This reduction includes an amount of R10 million that were redirected to cover water and electricity cut-off management costs. Included in the salary adjustments is an additional amount of R2.7 million for the settlement of a traffic officers' case in terms of a Court order, payable in April 2026.

4.3.2 Remuneration of Councilors

Expenditure on the remuneration of councilors remains unchanged when compared to the approved original budget. During the preparation of the 2025/26 MTREF, provision was made for an anticipated annual increment of 4.1% in line with the Government Gazette issued in terms of the Remuneration of Public Office Bearers Act. The expected increase has already been fully accommodated within the approved budget, and no additional adjustments are required at this stage.

4.3.3 Electricity bulk purchases

At the time of compiling the original budget, bulk electricity purchases were projected at R1.5 billion. Actual expenditure for the first six months of the financial year amounted to R675 million, reflecting lower consumption levels in line with reduced electricity sales revenue. Based on this performance trend and updated demand forecasts, the proposed bulk purchase budget has been decreased by R106 million.

This adjustment aligns bulk electricity expenditure with the revised revenue projections and anticipated consumption patterns, while still making adequate provision for high-season tariffs. The reduction ensures that the electricity trading service remains financially balanced and that bulk purchase commitments remain affordable within the available revenue envelope.

4.3.4 Water inventory purchases

Water inventory purchases decreased by 4.9%, totaling R34 million, compared to the approved original budget. The reduction is primarily attributable to seasonal consumption patterns, with lower demand during the winter months resulting in reduced bulk water purchases. In addition, ongoing maintenance of the water distribution network, and proactive leak detection initiatives will contribute to lower inventory requirements.

4.3.5 Depreciation

Depreciation expense decreased by R36 million compared to the approved original budget. This reduction follows a reassessment of the estimated useful lives and remaining useful lives (RUL) of the Municipality's assets. The review, conducted in line with GRAP 17 (Property, Plant and Equipment) requirements, resulted in adjustments to the depreciation rates applied to various asset classes. These adjustments reflect updated assessments of asset condition, expected service potential, and anticipated asset utilization, ensuring that depreciation charges more accurately align with the economic consumption of assets over their revised useful lives.

4.3.6 Debt impairment

Debt impairment is projected to increase by R27 million compared to the approved original budget, despite the decrease in service charges. This adjustment takes into account current collection trends and the ageing of outstanding debt. The Municipality continues to implement improved collection strategies, including the appointment of debt collectors and the commencement of hand-over processes in October 2025, which are expected to strengthen recovery efforts and gradually reduce the level of outstanding customer debt.

4.3.7 Contracted services Table 4: contracted services above R5 million

Description	Approved Budget	Adjustments	Forecast (2025_2026 Adjustment Budget)	Total Actuals	Remaining balance 2025/2026
CIVIL MAINTENANCE	5 017 248.00	-	5 017 248.00	12 391.63	5 004 856.37
CONSULTANT FEES	17 797 045.00	30 186 481.00	47 983 526.00	1 926 600.95	46 056 925.05
DEBT COLLECTORS	25 597 652.00	1 267 692.00	26 865 344.00	22 094 217.30	4 771 126.70
ELECTRICAL INFRASTRUCTURE: UNC	9 409 503.00	-	9 409 503.00	2 846 263.81	6 563 239.19
ELECTRONIC BUILDING PLANS AND L	5 000 000.00	-	5 000 000.00	-	5 000 000.00
GRASS CUTTING	9 086 548.00	(520 000.00)	8 566 548.00	1 111 756.56	7 454 791.44
LEGAL COST	57 177 658.00	(17 040 000.00)	40 137 658.00	11 908 854.13	28 228 803.87
MAINTENANCE BUILDINGS & LAND	23 583 681.00	(649 182.00)	22 934 499.00	12 053 965.21	10 880 533.79
MAINTENANCE OF ASSET REGISTER	2 823 136.00	2 245 000.00	5 068 136.00	2 903 855.52	2 164 280.48
MANAGEMENT: LUIPAARDSVLEI LAND	6 120 000.00	(1 100 000.00)	5 020 000.00	929 546.96	4 090 453.04
MECHANICAL REPAIRS	6 789 418.00	(180 000.00)	6 609 418.00	4 152 096.68	2 457 321.32
NETWORK: MATERIAL_ELECTRICITY	24 236 154.00	2 060 523.00	26 296 677.00	6 050 137.52	20 246 539.48
NETWORK: MATERIAL_WATER	19 344 867.00	(8 595 000.00)	10 749 867.00	1 391 483.16	9 358 383.84
NETWORK: MATERIAL_SANITATION	35 171 868.00	(25 566 577.00)	9 605 291.00	7 074 097.73	2 531 193.27
NETWORK: MATERIAL_ROADS	20 316 779.00	-	20 316 779.00	4 313 458.46	16 003 320.54
REFUSE REMOVAL	48 138 203.00	3 700 000.00	51 838 203.00	18 718 483.16	33 119 719.84
RENTAL: EARTHMOVING EQUIPMENT	7 754 300.00	(1 500 000.00)	6 254 300.00	1 263 017.52	4 991 282.48
RENTAL: TOILETS	50 000 000.00	20 000 000.00	70 000 000.00	21 868 447.03	48 131 552.97
RENTAL:TRAFFIC SPEED CAMERAS	660 985.00	4 593 604.00	5 254 589.00	2 351 393.91	2 903 195.09
SECURITY SERVICES	172 641 783.00	-	172 641 783.00	81 659 343.07	90 982 439.93
STRUCTURE REVIEW	-	5 700 000.00	5 700 000.00	-	5 700 000.00
UPGRADING OF FINANCIAL SYSTEM	30 000 001.00	(5 500 000.00)	24 500 001.00	3 654 232.38	20 845 768.62
WATER SERVICES DEVELOPMENT PLANNIN	-	5 000 000.00	5 000 000.00	-	5 000 000.00
OTHER CONTRACTED SERVICES	44 516 402.00	2 900 076.82	48 166 391.00	7 611 311.45	40 555 079.55
Grand Total	621 183 231.00	17 002 617.82	638 935 761.00	215 894 954.14	423 040 806.86

The table above shows contracted services exceeding R5 million. Overall, contracted services have increased by 2.7%, totaling R17 million, primarily due to increases in the following items:

- 4.3.6.1 An additional R20 million has been allocated for chemical toilets, bringing the total budget to R70 million. The municipality has initiated a project to construct Enviro Lo toilets in informal settlements to gradually replace chemical toilets. As of 31 December 2025, 120 toilets had been completed, but they had not yet been handed over to users. Immediate utilization of the completed toilets is necessary to reduce the ongoing costs of chemical toilets.
- 4.3.6.2 Rental of traffic speed cameras increased by R2.3 million from R2.9 million to cover higher rental costs, funded through savings from printing external services, system support, and volunteer incentives.
- 4.3.6.3 Debt collectors' costs increased by R3.3 million from R23.7 million, funded through savings realized from reduced legal costs.
- 4.3.6.4 Rental of equipment were reduced by R 1,5 million to cover refuse removal cost.
- 4.3.6.5 The budget for upgrading the financial system was reduced by R5.5 million, and the savings were used to fund the installation of fiber at Coronation Park and the Licensing Department.
- 4.3.6.6 The competency assessment budget was reduced by R1.7 million, R1million from legal cost and R2 million from upgrading of financial system, with the savings redirected to cover the review of the organizational structure review.
- 4.3.6.7 Legal costs were reduced by R23 million, resulting in savings, and lowering the budget to R34 million, with the savings redirected to fund settlement fees, review of organizational structure and installation of fiber to municipal buildings.
- 4.3.6.8 Additional budget amounting to R5 million was allocated for the Water Conservation and Demand Management Plan. This allocation is necessary to address increasing water losses, improve the sustainability of water resources, and ensure more efficient water usage within the municipality. The plan aims to reduce non-revenue water, promote responsible water consumption, and strengthen infrastructure maintenance and monitoring. It will also support initiatives such as leak detection, pressure management, public awareness

campaigns, and improved metering systems. These interventions are critical to enhancing service delivery, ensuring long-term water security, and reducing operational costs associated with excessive water losses.

- 4.3.6.9 Total savings of R33 million were identified from network materials and reallocated to fund priority projects and operational requirements as follows:
- 4.3.6.9.1 R4 million from the Water Network Material budget was transferred to support various pumpstation projects.
 - 4.3.6.9.2 R5 million from the Wastewater Treatment Works Network Materials budget was also reallocated to all internal pumpstation upgrades.
 - 4.3.6.9.3 R3.6 million was redirected toward the procurement of vehicles required for service delivery.
 - 4.3.6.9.4 Additional savings of R7.1 million from Water Network Materials were allocated to fund the refurbishment of a wastewater pumpstation.
 - 4.3.6.9.5 R5 million from Wastewater Treatment Works Network Materials was transferred to consultant fees for compliance monitoring related to water use licenses.
 - 4.3.6.9.6 R2.5 million from Wastewater Network Materials was reallocated to civil maintenance to complete ongoing works at three wastewater treatment works (WWTWs).
 - 4.3.6.9.7 R2 million from Wastewater Network Materials was transferred to fleet management for the purchase of tractors, tipper trucks, and a skid steer loader.
- 4.3.6.10 Additional funding amounting to R20.6 million was received from National Treasury for the Neighbourhood Development Partnership Grant (NDPG). The funding was allocated to support the implementation of Mogale City Local Municipality's Project Preparation Support Grant (PPPSG) work plan and will be utilized specifically to fund the Mogale City BFI Programme Preparation and Feasibility Study.

4.3.7 Operational cost

General expenses increased by 3% amounting to R 8,3 million against the approved original budget mainly on the following:

- 4.3.7.1 Settlement fees increased by R10 million, the savings from were identified from Legal costs.
- 4.3.7.2 Water and electricity cut-off management costs increased by R9 million. This increase was funded from savings identified after correcting repairs and maintenance costs that had been incorrectly allocated under employee-related costs in the approved budget.
- 4.3.7.3 Savings of R3.3 million were achieved on postage costs due to the transition from printed statements to e-statements. This shift has reduced printing and mailing expenses while supporting the Municipality's cost-containment and digital transformation efforts.
- 4.3.7.4 Savings amounting to R1.2 million were achieved from the purchase and distribution of 240-litre bins. These savings were utilized to address the budget shortfall in the refuse removal vote.
- 4.3.7.5 Printing external services, system support, and volunteer incentives had savings amounting to R 2,9 million to fund rental of traffic speed cameras.
- 4.3.7.6 Savings of R4 million were achieved through the reduction of expenditure on seminars and conferences as well travel subsistence in line with the municipality's cost containment measures.

5. CAPITAL BUDGET EXPENDITURE REVIEW

5.1 Capital grant budget.

Capital grants were reviewed and reprioritized in line with updated infrastructure needs, as outlined below:

5.1.1 Savings amounting to R2.7 million were identified from Programme Management costs and the Luidardsvlei Landfill Site project. These savings were reprioritized to fund road rehabilitation in Rietvallei Extension 1.

5.1.2 Further savings were identified from the Luidardsvlei Landfill Site project funded through the Integrated Urban Development Grant (IUDG). An amount of R9.3 million was reallocated to the to housing infrastructure services (Heritage Manor project), while R616 057 was redirected to roads rehabilitation and resurfacing in Rietvallei Ext 1.

5.2 Own funding capital budget

Savings from operational budget to capital budget are as follows:

5.2.1 Savings amounting to R16.5 million were identified from water and wastewater network materials under the operational expenditure budget and were reallocated to fund the refurbishment of sewer pumpstations.

5.2.2 Savings of R6 million were obtained from network materials and were utilized for the procurement of one TLB for water networks and two crane trucks.

5.2.3 A further R5 million was requested as additional funding for installation of fibre infrastructure.

Savings from within capital budget are as follows:

5.2.4 Savings totaling R2.4 million were realized mainly from specialized fleet (R1.3 million), landfill site management (R800 000), and consultant fees (R300 000). These savings were reallocated to fund landfill compliance projects, including the drilling of a borehole, purchase of mobile firefighting equipment, and integrated waste management license application designs.

Additional funding

- 5.2.5 Additional funding allocated to Brickvale sewer pumpstation amounting to R18,2 million to avoid sewer spillages that might lead to threats of litigation by surrounding communities and the regulatory authority, GDARD.
- 5.2.6 An amount of R2 million has been allocated to the Luipaardsvlei Landfill Site for Phase 5 of the project, which includes the resumption of cell construction abandoned in 2023 (with only excavations completed to date), the construction of leachate and stormwater management systems, the construction of internal access routes, and the erection of a perimeter fence/wall, all of which have not yet commenced. It should be noted that the municipality has already received compliance notices relating to the outstanding works.

Table 5: Approved Capital Budget per department

Department	Approved Final 2025/2026 Budget	Total Adjustments	Approved Adjustment 2025/2026 Budget
Community Development Services	14 951 818	1 581 085	13 370 733
Corporate Support Services	11 562 000	580 000	12 142 000
Economic Development Services	165 525 000	4 795 914	170 320 913
Financial Management Services	1 715 355	352 632	2 067 987
Infrastructure Development Service	342 461 589	20 929 910	363 391 499
Intergrated Environmental Magement	29 901 750	6 236 974	23 664 776
Internal Audit	332 000	147 841	184 159
Municipal Council	2 148 632	2 126	2 146 506
Operations Management	715 000	135 000	850 000
Strategic Investment Programme	17 221 744	38 314 000	55 535 744
Municipal Manager	-	98 000	98 000
Total	586 534 888	57 237 429	643 772 317

Table 6: Approved Capital Budget Per Source of Fund

Funding source description	Approved Final 2025/2026 Budget	Total Adjustments	Approved Adjustment 2025/2026 Budget
Human Settlement Development Grant	-	-	-
Integrated National Electrification Programme Grant	-	-	-
Integrated Urban Development Grant	152 807 262	2 087 738	154 895 000
Local Government Financial Management Grant	-	-	-
Neighbourhood Development Partnership Grant	148 000 000	-	148 000 000
Sports and Recreation Grant	1 430 000	930 000	500 000
Water Services Infrastructure Grant	72 500 000	-	72 500 000
Transfer from Operational Revenue	211 797 626	56 079 691	267 877 317
Total	586 534 888	57 237 429	643 772 317

Table 7: Approved Cash Flow position

Gauteng: Mogale City (GT481) - Table B7 Budgeted Cash Flows (All) for 4th Quarter ended 30 June 2026

Description	Ref	2022/23	2023/24	2024/25	Current year 2025/26			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit Outcome
R thousands								
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates		-	315 521	1 092 291	791 998	881 763	881 763	646 874
Service charges		-	259 752	2 212 375	2 773 583	2 612 131	2 612 131	1 481 273
Other revenue		-	462 288	286 596	706 503	812 887	812 887	215 372
Transfers and Subsidies - Operational	1	-	221 449	822 134	730 753	821 660	821 660	666 771
Transfers and Subsidies - Capital	1	-	82 652	211 653	288 561	375 895	375 895	141 051
Interest		-	6 345	28 244	172 332	194 175	194 175	29 092
Dividends		-	-	-	-	-	-	-
Payments								
Suppliers and employees		-	(994 752)	(4 105 154)	(4 951 006)	(5 052 342)	(5 052 342)	(2 827 318)
Finance charges		-	(1 485)	(4 747)	(18 494)	(18 494)	(18 494)	(575)
Transfers and Subsidies	1	-	-	-	(10 686)	(10 686)	(10 686)	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	351 770	543 394	483 544	616 989	616 989	352 538
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE		-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	8	(8)	-	-	-	-
Decrease (increase) in non-current investments		(12 676)	(61 870)	(76)	-	-	-	(120)
Payments								
Capital assets		-	(203 747)	(391 142)	(424 230)	(643 762)	(643 762)	(326 468)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(12 676)	(265 609)	(391 226)	(424 230)	(643 762)	(643 762)	(326 589)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans		-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-
Payments								
Repayment of borrowing		-	(16 031)	(47 204)	-	-	-	(24 939)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(16 031)	(47 204)	-	-	-	(24 939)
NET INCREASE/ (DECREASE) IN CASH HELD		(12 676)	70 130	104 964	59 314	(26 773)	(26 773)	1 011
Cash/cash equivalents at the year begin:	2	13 707	10 269	(50 701)	144 508	144 508	144 508	201 071
Cash/cash equivalents at the year end:	2	1 031	80 399	54 263	203 822	117 735	117 735	202 082

The approved adjusted cash flow budget indicates that the municipality will close its books with a surplus of R 118 million for the financial year 2025/26, R117 million and R202 million for the two outer years.

The table indicates that Mogale City has been making steady progress in settling its creditors' obligations since the start of the current financial year.

6. LEGISLATIVE IMPLICATIONS

Section 28 of the Municipal Finance Management Act 56 of 2003 (MFMA)

7. HUMAN RESOURCES IMPLICATIONS

None

8. BUSINESS RISKS IMPLICATIONS

Meeting financial obligations and service delivery mandate.

9. STAKEHOLDERS CONSULTED

Internal Departments,
Senior Management Team

10. RECOMMENDATIONS:

- 10.1 Of the report tabling proposed adjustment budgets of Mogale City Local Municipality for the financial year 2025/2026 as set out in the schedules attached below MBRR Table B1 to Table B10 (from pages 20-31).
- 10.2 Of the Adjusted Operating revenue, expenditure, and Capital Budget of the Municipality for the financial year 2025/2026 and the outer years as set out in the following tables:
 - 102.1 Adjustment Budget Summary as contained in **(MBRR Table B1)**.
 - 102.2 Adjustments Budget Financial Performance (functional classification) in **(MBRR Table B2)**.
 - 102.3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) in **(MBRR Table B3)**.
 - 102.4 Adjustments Budget Financial Performance (revenue and expenditure) **(MBRR Table B4)**.
 - 102.5 Adjustments Capital Expenditure Budget by vote and funding in **(MBRR Table B5)**.
- 10.3 Of the adjustment budget financial position, cash flows, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets be adopted and approved as set out in the following tables:
 - 10.3.1 Adjustments Budget Financial Position as contained in **(MBRR Table B6)**.
 - 10.3.2 Adjustments Budget Cash Flows as contained in **(MBRR Table B7)**.
 - 10.3.3 Cash backed reserves and accumulated surplus reconciliation as contained in **(MBRR Table B8)**
 - 10.3.4 Asset management as contained in **(MBRR Table B9)**; and
 - 10.3.5 Basic service delivery measurement as contained in **(MBRR Table B10)**.

- 10.4 That the adjusted operating revenue, expenditure, and capital budget of Mogale City Local Municipality for the financial year 2025/2026 and the indicative estimates for the two projected outer years 2026/2027 and 2027/2028, as set out in the schedules listed be approved.
- 10.5 That the attached proposed Capital and Operational budget to be noted. No department will commit the municipality to expenditure beyond the budget allocation approved for that department.
- 10.6 That the proposed adjustment budget in its current form is **funded** by R 70 million in the 2025/2026 financial year.



CLLR: LUCKY SELE
EXECUTIVE MAYOR
DATE: 20 FEBRUARY 2026

11. ADJUSTED BUDGET TABLES

Table 1 MBRR Table B1 – Adjustments Budget Summary

Gauteng: Mogale City (GT481) - Table B1 Budget Summary for 4th Quarter ended 30 June 2026

Description	2022/23	2023/24	2024/25	Current year 2025/26			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit Outcome
R thousands							
Financial Performance							
Property rates	577 378	623 811	731 733	920 928	979 736	979 736	494 998
Service charges	1 980 787	2 404 046	2 600 935	3 224 941	2 902 368	2 902 368	1 483 923
Investment revenue	7 206	16 961	23 001	20 860	20 860	20 860	11 544
Transfer and subsidies - Operational	576 299	640 494	751 803	729 963	821 660	821 660	543 870
Other own revenue	299 178	453 614	383 190	439 440	584 637	584 637	333 299
Total Revenue (excluding capital transfers and contributions)	3 440 847	4 138 927	4 490 663	5 336 131	5 309 262	5 309 262	2 867 634
Employee costs	900 115	1 023 956	1 055 121	1 203 522	1 195 695	1 195 695	661 661
Remuneration of councillors	38 760	39 488	39 779	51 634	51 634	51 634	24 349
Depreciation and amortisation	276 986	266 047	325 230	286 928	250 928	250 928	143 154
Finance charges	49 663	22 966	18 487	18 494	18 494	18 494	5 584
Inventory consumed and bulk purchases	1 408 172	1 630 651	1 826 106	2 225 097	2 084 901	2 084 901	1 129 671
Transfers and subsidies	1 043	2 140	2 937	10 686	10 686	10 686	5 423
Other expenditure	909 060	1 120 986	1 293 174	1 291 091	1 363 536	1 363 536	566 753
Total Expenditure	3 583 800	4 106 233	4 560 835	5 087 451	4 975 873	4 975 873	2 536 597
Surplus/(Deficit)	(142 953)	32 694	(70 172)	248 680	333 388	333 388	331 037
Transfers and subsidies - capital (monetary allocations)	215 959	291 237	315 566	288 561	375 895	375 895	195 030
Transfers and subsidies - capital (in-kind)	86 702	143 037	-	-	4 553	4 553	-
Surplus/(Deficit) after capital transfers & contributions	159 708	466 968	245 394	537 241	713 836	713 836	526 067
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	159 708	466 968	245 394	537 241	713 836	713 836	526 067
Capital expenditure & funds sources							
Capital expenditure	(25 989)	301 068	393 127	500 649	643 772	643 772	235 542
Transfers recognised - capital	(31 791)	270 732	276 507	288 851	375 895	375 895	-
Borrowing	-	-	-	-	-	-	-
Internally generated funds	-	30 335	116 620	211 798	267 877	267 877	-
Total sources of capital funds	(31 791)	301 068	393 127	500 649	643 772	643 772	-
Financial position							
Total current assets	1 114 838	1 027 530	1 455 153	2 008 954	1 697 144	1 697 144	1 466 402
Total non current assets	6 585 089	6 851 727	6 755 080	6 743 588	6 942 711	6 942 711	6 809 976
Total current liabilities	1 374 016	1 127 727	1 242 622	1 846 937	1 629 783	1 629 783	725 779
Total non current liabilities	525 991	685 647	645 091	536 146	464 018	464 018	610 043
Community wealth/Equity	5 799 920	6 159 215	6 322 519	6 369 458	6 546 054	6 546 054	6 940 548
Cash flows							
Net cash from (used) operating	-	351 770	543 394	483 544	616 989	616 989	352 538
Net cash from (used) investing	(12 676)	(265 609)	(391 226)	(424 230)	(643 762)	(643 762)	(326 589)
Net cash from (used) financing	-	(16 031)	(47 204)	-	-	-	(24 939)
Cash/cash equivalents at the year end	1 031	80 399	54 263	203 822	117 735	117 735	323 126
Cash backing/surplus reconciliation							
Cash and investments available	152 855	100 159	271 905	203 283	117 196	117 196	231 801
Application of cash and investments	1 165 132	733 777	(126 167)	(6 778)	(15 159)	(15 159)	(761 773)
Balance - surplus (shortfall)	(1 012 277)	(633 618)	398 072	210 061	132 355	132 355	993 574
Asset management							
Asset register summary (WDV)	5 889 439	6 017 110	5 655 187	6 705 888	6 480 569	6 480 569	5 518 941
Depreciation	252 857	251 998	310 024	286 928	250 928	250 928	143 154
Renewal and Upgrading of Existing Assets	6 139	86 844	127 068	218 734	204 418	204 418	104 409
Repairs and Maintenance	297 652	290 040	339 884	558 748	496 415	496 415	226 161
Free services							
Cost of Free Basic Services provided	-	4 458	(454)	46 803	46 803	46 803	(2 933)
Revenue cost of free services provided	-	112 641	357 557	-	-	-	338 253
Households below minimum service level							
Water:	-	-	-	-	-	-	-
Sanitation/sewerage:	21 082	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-
Refuse:	6 072	-	-	-	-	-	-

Table 2 MBRR Table B2 – Adjustments Budget Financial Performance (functional classification)

Gauteng: Mogale City (GT481) - Table B2 Budgeted Financial Performance by Functional Classification for 4th Quarter ended 30 June 2026

Description	Ref	2022/23	2023/24	2024/25	Current year 2025/26		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast
R thousands	1						
Revenue - Functional							
<i>Municipal governance and administration</i>		824 923	1 771 804	3 410 593	1 193 704	1 392 611	1 392 611
Executive and council		1 152	(1 799)	2 978	6 138	6 138	6 138
Finance and administration		823 771	1 773 603	3 407 615	1 187 566	1 386 473	1 386 473
Internal audit			(0)				
<i>Community and public safety</i>		369 974	289 665	181 104	299 747	360 134	360 134
Community and social services		216 585	236 465	139 437	260 862	260 862	260 862
Sport and recreation		26 207	28 706	7 985	1 327	1 617	1 617
Public safety					33 290	93 290	93 290
Housing		128 411	19 650	33 682	27	27	27
Health		(1 229)	4 844		4 241	4 338	4 338
<i>Economic and environmental services</i>		104 096	142 191	147 338	146 187	267 843	267 843
Planning and development		52 809	94 231	91 806	80 435	184 865	184 865
Road transport		51 287	47 959	55 531	65 751	82 979	82 979
Environmental protection							
<i>Trading services</i>		2 440 170	2 369 540	1 066 897	3 985 054	3 669 122	3 669 122
Energy sources		1 225 061	1 078 379	177 122	2 143 513	1 945 087	1 945 087
Water management		547 640	480 487	71 623	903 854	801 293	801 293
Waste water management		375 806	481 960	558 740	565 113	539 506	539 506
Waste management		291 663	328 714	259 412	372 574	383 236	383 236
<i>Other</i>	4	4 345	0	297			
Total Revenue - Functional	2	3 743 508	4 573 200	4 806 229	5 624 692	5 689 710	5 689 710
Expenditure - Functional							
<i>Municipal governance and administration</i>		960 810	1 187 130	1 292 448	1 231 596	1 257 764	1 257 764
Executive and council		116 395	152 760	122 446	222 415	224 024	224 024
Finance and administration		834 125	928 514	1 156 655	988 743	1 012 558	1 012 558
Internal audit		10 291	105 855	13 346	20 438	21 182	21 182
<i>Community and public safety</i>		188 573	206 064	207 710	342 985	345 193	345 193
Community and social services		79 805	85 663	111 558	109 271	110 116	110 116
Sport and recreation		100 616	103 947	74 437	156 698	155 243	155 243
Public safety					31 236	31 236	31 236
Housing		13 369	16 383	21 715	45 781	48 598	48 598
Health		(5 217)	72				
<i>Economic and environmental services</i>		205 423	247 536	276 274	236 407	265 392	265 392
Planning and development		65 142	67 963	61 042	78 774	103 403	103 403
Road transport		125 627	163 518	198 464	138 390	142 541	142 541
Environmental protection		14 654	16 056	16 767	19 243	19 447	19 447
<i>Trading services</i>		2 223 574	2 458 687	2 776 577	3 265 990	3 097 076	3 097 076
Energy sources		1 079 811	1 308 596	1 462 146	1 878 097	1 773 488	1 773 488
Water management		738 861	785 373	899 661	953 941	870 312	870 312
Waste water management		259 975	233 678	192 074	279 808	279 966	279 966
Waste management		144 926	131 040	222 697	154 144	225 311	225 311
<i>Other</i>	4	5 419	6 816	7 827	10 473	10 449	10 449
Total Expenditure - Functional	3	3 583 800	4 106 233	4 560 835	5 087 451	4 975 873	4 975 873
Surplus/(Deficit)		159 708	466 968	245 394	537 241	713 836	713 836

Table 3 MBRR Table B3 - Adjustments Budget Financial Performance (revenue and expenditure by municipal votes)

Gauteng: Mogale City (GT481) - Table B3 Budget Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)											
Vote Description		2025/26									
R thousands	Ref	Original Budget A	Prior Adjuste 3 A1	Accumulated funds 4 B	Multi year Capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Full Year Forecast
Revenue by Vote											
	1										
Vote 1 - MUNICIPAL COUNCIL		6 645							92 174	98 819	98 819
Vote 2 - MUNICIPAL MANAGER		-							31 490	31 490	31 490
Vote 3 - INTERNAL AUDIT		-							26 428	26 428	26 428
Vote 4 - OPERATIONS MANAGEMENT		1 655							72 995	74 650	74 650
Vote 5 - CORPORATE SUPPORT SERVICES		(7 842)							304 678	296 836	296 836
Vote 6 - FINANCIAL MANAGEMENT		1 201 023							(762 171)	438 852	438 852
Vote 7 - INTERGRATED ENVIRONMENT MANAGEMENT		366 811							(61 900)	304 911	304 911
Vote 8 - COMMUNITY DEVELOPMENT SERVICES		370 877							236 121	606 998	606 998
Vote 9 - ECONOMIC DEVELOPMENT SERVICES		78 348							39 463	117 811	117 811
Vote 10 - STRATEGIC INVESTMENT PROGRAMMES		-							49 647	49 647	49 647
Vote 11 - INFRASTRUCTURE DEVELOPMENT SERVICES		3 607 175							36 091	3 643 266	3 643 266
Vote 12 -		-							-	-	-
Vote 13 -		-							-	-	-
Vote 14 -		-							-	-	-
Vote 15 -		-							-	-	-
Total Revenue by vote	2	5 624 692							65 018	5 689 710	5 689 710
Expenditure by Vote											
Vote 1 - MUNICIPAL COUNCIL		88 359							(82 481)	5 878	5 878
Vote 2 - MUNICIPAL MANAGER		28 157							(28 157)	-	-
Vote 3 - INTERNAL AUDIT		23 631							(23 631)	-	-
Vote 4 - OPERATIONS MANAGEMENT		66 748							(66 284)	1 464	1 464
Vote 5 - CORPORATE SUPPORT SERVICES		265 416							(272 353)	(6 937)	(6 937)
Vote 6 - FINANCIAL MANAGEMENT		392 399							670 084	1 062 483	1 062 483
Vote 7 - INTERGRATED ENVIRONMENT MANAGEMENT		272 636							51 863	324 499	324 499
Vote 8 - COMMUNITY DEVELOPMENT SERVICES		542 747							(214 651)	328 096	328 096
Vote 9 - ECONOMIC DEVELOPMENT SERVICES		105 341							(36 031)	69 310	69 310
Vote 10 - STRATEGIC INVESTMENT PROGRAMMES		44 392							(44 392)	-	-
Vote 11 - INFRASTRUCTURE DEVELOPMENT SERVICES		3 257 624							(66 544)	3 191 080	3 191 080
Vote 12 -		-							-	-	-
Vote 13 -		-							-	-	-
Vote 14 -		-							-	-	-
Vote 15 -		-							-	-	-
Total Expenditure by Vote		5 087 450	-	-	-	-	-	-	(111 577)	4 975 873	4 975 873
Surplus/(Deficit) for the year		537 242	-	-	-	-	-	-	176 585	713 837	713 837

Table 4 MBRR Table B4 - Adjustments Budget Financial Performance (revenue and expenditure)

Gauteng: Mogale City (GT481) - Table B4 Budgeted Financial Performance (All) for 4th Quarter ended 30 June 2026

Description	Ref	2022/23	2023/24	2024/25	Current year 2025/26			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit Outcome
R thousands	1							
Revenue								
Exchange Revenue								
Service charges - Electricity	2	1 116 954	1 370 081	1 591 761	1 961 927	1 763 501	1 763 501	873 778
Service charges - Water	2	437 153	526 777	527 419	713 901	606 786	606 786	299 775
Service charges - Waste Water Management	2	288 135	360 382	335 024	386 460	358 765	358 765	208 992
Service charges - Waste Management	2	138 544	146 806	146 731	162 653	173 315	173 315	101 379
Sale of Goods and Rendering of Services		87 332	136 286	51 614	26 042	26 042	26 042	17 014
Agency services		23 715	22 912	26 328	65 154	113 282	113 282	22 981
Interest		-	-	-	-	-	-	-
Interest earned from Receivables		87 749	149 748	149 737	171 327	171 327	171 327	84 959
Interest earned from Current and Non Current Assets		7 206	16 961	23 001	20 860	20 860	20 860	11 544
Dividends		-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-
Rental from Fixed Assets		7 563	5 000	6 596	5 550	5 550	5 550	3 519
Licence and permits		-	-	-	-	-	-	-
Special rating levies		-	-	-	-	-	-	-
Operational Revenue		20 612	8 259	18 808	44 448	44 448	44 448	70 421
Non-Exchange Revenue								
Property rates	2	577 378	623 811	731 733	920 928	979 736	979 736	494 998
Surcharges and Taxes		38 327	24 146	142	43 180	43 180	43 180	335
Fines, penalties and forfeits		33 579	39 238	53 539	37 747	97 747	97 747	105 869
Licences or permits		68	502	26	1 056	1 056	1 056	13
Transfer and subsidies - Operational		576 299	640 494	751 803	729 963	821 660	821 660	543 870
Interest		-	56 897	76 151	44 851	44 851	44 851	27 974
Fuel Levy		-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	20 000	20 000	1
Other Gains		233	10 627	249	85	17 154	17 154	214
Discontinued Operations		-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		3 440 847	4 138 927	4 490 663	5 336 131	5 309 262	5 309 262	2 867 634
Expenditure								
Employee related costs	2	900 115	1 023 956	1 055 121	1 203 522	1 195 695	1 195 695	661 661
Remuneration of councillors		38 760	39 488	39 779	51 634	51 634	51 634	24 349
Bulk purchases - electricity	2	944 762	1 109 644	1 280 325	1 520 376	1 414 058	1 414 058	771 664
Inventory consumed	8	463 410	521 008	545 782	704 721	670 843	670 843	358 007
Debt impairment	3	-	119 721	406 408	386 424	433 849	433 849	168 006
Depreciation and amortisation		276 986	266 047	325 230	286 928	250 928	250 928	143 154
Interest		49 663	22 966	18 487	18 494	18 494	18 494	5 584
Contracted services		422 987	350 206	408 009	621 933	637 263	637 263	265 195
Transfers and subsidies		1 043	2 140	2 937	10 686	10 686	10 686	5 423
Irrecoverable debts written off		331 114	274 255	-	-	-	-	2 084
Operational costs		157 505	322 964	311 349	282 713	292 403	292 403	131 180
Losses on disposal of Assets		(2 546)	53 307	73 942	-	-	-	-
Other Losses		-	533	93 467	20	20	20	288
Total Expenditure		3 583 800	4 106 233	4 560 835	5 087 451	4 975 873	4 975 873	2 536 597
Surplus/(Deficit)		(142 953)	32 694	(70 172)	248 680	333 388	333 388	331 037
Transfers and subsidies - capital (monetary allocations)	6	215 959	291 237	315 566	288 561	375 895	375 895	195 030
Transfers and subsidies - capital (in-kind)	6	86 702	143 037	-	-	4 553	4 553	-
Surplus/(Deficit) after capital transfers and contributions		159 708	466 968	245 394	537 241	713 836	713 836	526 067
Income Tax		-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		159 708	466 968	245 394	537 241	713 836	713 836	526 067
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		159 708	466 968	245 394	537 241	713 836	713 836	526 067
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-
Surplus/(Deficit) for the year		159 708	466 968	245 394	537 241	713 836	713 836	526 067

Table 5 MBRR Table B5 – Adjustments Capital Expenditure by vote and funding
Gauteng: Mogale City (GT481) - Table B5 Budgeted Capital Expenditure by Functional Classification and Funding for 4th Quarter ended 30 June 2026

Description	Ref	2022/23	2023/24	2024/25	Current year 2025/26			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit Outcome
R thousands	1							
Capital Expenditure - Functional								
Municipal governance and administration		(25 652)	215 325	18 333	21 559	22 959	22 959	4 494
Executive and council				133	2 005	1 912	1 912	211
Finance and administration		(25 652)	215 325	16 781	19 262	20 881	20 881	4 232
Internal audit				1 420	292	166	166	51
Community and public safety		-	47 103	57 924	46 633	69 503	69 503	35 276
Community and social services				1 536	4 952	3 885	3 885	251
Sport and recreation			(417)	15 142	16 490	2 790	2 790	102
Public safety					11 324	10 792	10 792	8 739
Housing			47 520	41 246	13 867	52 036	52 036	26 184
Health								
Economic and environmental services		-	7 645	78 584	136 031	213 862	213 862	48 197
Planning and development			7 645	76 838	64 434	170 333	170 333	43 442
Road transport				1 746	71 397	43 317	43 317	4 690
Environmental protection					200	212	212	65
Trading services		(337)	30 995	238 285	296 367	337 379	337 379	147 513
Energy sources			17 702	16 515	43 283	43 083	43 083	2 627
Water management				74 809	81 604	70 317	70 317	30 384
Waste water management		(337)	1 548	130 494	144 768	204 875	204 875	110 405
Waste management			11 746	16 468	26 712	19 103	19 103	4 097
Other					60	70	70	61
Total Capital Expenditure - Functional	3	(25 989)	301 068	393 127	500 649	643 772	643 772	235 542
Funded by	-							
National Government			198 742	275 241	287 421	375 395	375 395	169 591
Provincial Government		(31 791)	71 990	1 266	1 430	500	500	
District Municipality								
Transfers and subsidies - capital (monetary allocations) (Nat/Prov)								
Transfers recognised - capital	4	(31 791)	270 732	276 507	288 851	375 895	375 895	169 591
Borrowing	6							
Internally generated funds			30 335	116 620	211 798	267 877	267 877	65 951
Total Capital Funding	7	(31 791)	301 068	393 127	500 649	643 772	643 772	235 542

Table 6 MBRR Table B6 – Adjustments Budget Financial Position

Gauteng: Mogale City (GT481) - Table B6 Budgeted Financial Position (All) for 4th Quarter ended 30 June 2026

Description	Ref	2022/23	2023/24	2024/25	Current year 2025/26			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit Outcome
R thousands	1							
ASSETS								
Current assets								
Cash and cash equivalents		63 865	(50 701)	120 969	203 283	117 196	117 196	80 745
Trade and other receivables from exchange transactions	1	(854 425)	(1 315 593)	(1 227 108)	677 853	473 542	473 542	(1 198 793)
Receivables from non-exchange transactions	1	1 786 339	2 370 980	2 504 818	602 634	547 344	547 344	2 596 223
Current portion of non-current receivables		53	-	-	49	49	49	-
Inventory	2	5 595	36 836	36 637	6 215	40 092	40 092	3 014
VAT		113 411	(13 142)	20 640	518 920	518 920	518 920	(14 024)
Other current assets		-	(849)	(804)	-	-	-	(764)
Total current assets		1 114 838	1 027 530	1 455 153	2 008 954	1 697 144	1 697 144	1 466 402
Non current assets								
Investments		88 990	150 860	150 936	-	-	-	151 056
Investment property		12 000	23 059	(70 048)	668 197	668 197	668 197	(70 998)
Property, plant and equipment	3	(6 155 317)	(5 972 886)	(5 976 509)	6 067 605	6 266 729	6 266 729	(5 920 783)
Biological assets		-	-	-	3 064	3 064	3 064	-
Living and non-living resources		-	-	-	-	-	-	-
Heritage assets		-	-	-	2 450	2 450	2 450	-
Intangible assets		12 639 416	12 650 701	12 650 701	2 272	2 272	2 272	12 650 701
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		-	(8)	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-
Total non current assets		6 585 089	6 851 727	6 755 080	6 743 588	6 942 711	6 942 711	6 809 976
TOTAL ASSETS		7 699 927	7 879 257	8 210 233	8 752 542	8 639 855	8 639 855	8 276 378
LIABILITIES								
Current liabilities								
Bank overdraft		-	-	-	-	-	-	-
Financial liabilities		-	(16 031)	(63 235)	48 725	48 725	48 725	(88 174)
Consumer deposits		95 474	87 213	90 418	82 794	82 794	82 794	94 556
Trade and other payables from exchange transactions	4	1 209 252	993 358	1 131 374	1 045 549	778 679	778 679	609 090
Trade and other payables from non-exchange transactions	5	9 315	75 650	73 884	167 961	234 746	234 746	117 778
Provision		1 720	22 039	24 068	2 042	(15 027)	(15 027)	24 068
VAT		58 256	(34 502)	(13 888)	499 866	499 866	499 866	(31 539)
Other current liabilities		-	-	-	-	-	-	-
Total current liabilities		1 374 016	1 127 727	1 242 622	1 846 937	1 629 783	1 629 783	725 779
Non current liabilities								
Financial liabilities	6	189 336	172 308	185 913	140 610	140 610	140 610	191 498
Provision	7	142 890	167 080	175 960	97 895	97 895	97 895	175 960
Long term portion of trade payables		-	144 256	72 128	72 299	171	171	31 495
Other non-current liabilities		193 766	202 002	211 090	225 342	225 342	225 342	211 090
Total non current liabilities		525 991	685 647	645 091	536 146	464 018	464 018	610 043
TOTAL LIABILITIES		1 900 007	1 813 374	1 887 713	2 383 083	2 093 801	2 093 801	1 335 821
NET ASSETS	10	5 799 920	6 065 883	6 322 519	6 369 458	6 546 054	6 546 054	6 940 557
COMMUNITY WEALTH/EQUITY								
Accumulated surplus/(deficit)	8	5 758 282	6 108 781	6 249 975	6 319 024	6 495 620	6 495 620	6 868 004
Reserves and funds	9	41 638	50 434	72 544	50 434	50 434	50 434	72 544
Other		-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	10	5 799 920	6 159 215	6 322 519	6 369 458	6 546 054	6 546 054	6 940 548

Table 7 MBRR Table B7 – Adjustments Budget Cash Flow

Gauteng: Mogale City (GT481) - Table B7 Budgeted Cash Flows (All) for 4th Quarter ended 30 June 2026

Description	Ref	2022/23	2023/24	2024/25	Current year 2025/26			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit Outcome
R thousands								
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates		-	315 521	1 092 291	791 998	881 763	881 763	646 874
Service charges		-	259 752	2 212 375	2 773 583	2 612 131	2 612 131	1 481 273
Other revenue		-	462 288	286 596	706 503	812 887	812 887	215 372
Transfers and Subsidies - Operational	1	-	221 449	822 134	730 753	821 660	821 660	666 771
Transfers and Subsidies - Capital	1	-	82 652	211 653	288 561	375 895	375 895	141 051
Interest		-	6 345	28 244	172 332	194 175	194 175	29 092
Dividends		-	-	-	-	-	-	-
Payments								
Suppliers and employees		-	(994 752)	(4 105 154)	(4 951 006)	(5 052 342)	(5 052 342)	(2 827 318)
Finance charges		-	(1 485)	(4 747)	(18 494)	(18 494)	(18 494)	(575)
Transfers and Subsidies	1	-	-	-	(10 686)	(10 686)	(10 686)	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	351 770	543 394	483 544	616 989	616 989	352 538
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE		-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	8	(8)	-	-	-	-
Decrease (increase) in non-current investments		(12 676)	(61 870)	(76)	-	-	-	(120)
Payments								
Capital assets		-	(203 747)	(391 142)	(424 230)	(643 762)	(643 762)	(326 468)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(12 676)	(265 609)	(391 226)	(424 230)	(643 762)	(643 762)	(326 589)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans		-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-
Payments								
Repayment of borrowing		-	(16 031)	(47 204)	-	-	-	(24 939)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(16 031)	(47 204)	-	-	-	(24 939)
NET INCREASE/ (DECREASE) IN CASH HELD		(12 676)	70 130	104 964	59 314	(26 773)	(26 773)	1 011
Cash/cash equivalents at the year begin:	2	13 707	10 269	(50 701)	144 508	144 508	144 508	201 071
Cash/cash equivalents at the year end:	2	1 031	80 399	54 263	203 822	117 735	117 735	202 082

Table 8 MBRR Table B8 – Cash backed reserves/accumulated surplus reconciliation.
Gauteng: Mogale City (GT481) - Table B8 Cash backed reserves/accumulated surplus reconciliation for 4th Quarter ended 30 June 2026

Description	Ref	2022/23	2023/24	2024/25	Current year 2025/26			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit Outcome
Cash and investments available								
Cash/cash equivalents at the year end	1	1 031	80 399	54 263	203 822	117 735	117 735	323 126
Other current investments > 90 days		62 834	(131 101)	66 707	(539)	(539)	(539)	(242 381)
Non current assets - Investments	1	88 990	150 860	150 936	-	-	-	151 056
Cash and investments available:		152 855	100 158	271 905	203 283	117 196	117 196	231 801
Application of cash and investments								
Unspent conditional transfers		9 315	3 522	1 756	16 485	83 270	83 270	45 649
Unspent borrowing		-	-	-	-	-	-	-
Statutory requirements	2	(55 155)	(21 292)	(38 115)	(19 054)	(19 054)	(19 054)	(21 102)
Other working capital requirements	3	1 209 252	729 508	(113 876)	(56 685)	(114 782)	(114 782)	(810 388)
Other provisions		1 720	22 039	24 068	2 042	(15 027)	(15 027)	24 068
Long term investments committed	4	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	50 434	50 434	50 434	-
Total Application of cash and investments:		1 165 132	733 777	(126 167)	(6 778)	(15 159)	(15 159)	(761 773)
Surplus(shortfall) - Excl Non-Current Creditors Trf to Debt Re		(1 012 277)	(633 618)	398 072	210 061	132 355	132 355	993 574
Creditors transferred to Debt Relief - Non-Current portion		-	-	-	72 299	171	171	-
Surplus(shortfall) - Incl Non-Current Creditors Trf to Debt Re		(1 012 277)	(633 618)	398 072	137 762	132 184	132 184	993 574

Table 9 MBRR Table B9 – Asset Management
Gauteng: Mogale City (GT481) - Table B9 Asset Management (All) for 4th Quarter ended 30 June 2026

Description	Ref	2022/23	2023/24	2024/25	Current year 2025/26		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast
R thousands	N						
CAPITAL EXPENDITURE							
Total New Assets	1	(32 128)	214 224	266 059	281 915	439 354	439 354
<i>Roads Infrastructure</i>							
<i>Storm water Infrastructure</i>							
<i>Electrical Infrastructure</i>			17 885	10 894	22 205	27 619	27 619
<i>Water Supply Infrastructure</i>			16 659	59 731	57 174	61 289	61 289
<i>Sanitation Infrastructure</i>			41 672	40 960	24 000	40 515	40 515
<i>Solid Waste Infrastructure</i>							
<i>Rail Infrastructure</i>							
<i>Coastal Infrastructure</i>							
<i>Information and Communication Infrastructure</i>						5 000	5 000
Infrastructure		-	76 215	111 585	103 379	134 423	134 423
Community Facilities				2 084	4 990	3 076	3 076
Sport and Recreation Facilities						600	600
Community Assets		-	-	2 084	4 990	3 676	3 676
Heritage Assets							
Revenue Generating							
Non-revenue Generating							
Investment properties		-	-	-	-	-	-
Operational Buildings			84 758	76 212	62 114	163 000	163 000
Housing		(31 791)	40 058	41 179	32 000	50 214	50 214
Other Assets		(31 791)	124 817	117 392	94 114	213 214	213 214
Biological or Cultivated Assets							
Servitudes							
Licences and Rights				22	50	220	220
Intangible Assets		-	-	22	50	220	220
Computer Equipment			820	8 215	19 268	21 806	21 806
Furniture and Office Equipment			128	326	3 858	3 217	3 217
Machinery and Equipment			2 181	6 011	32 816	35 630	35 630
Transport Assets		(337)	10 063	20 425	23 440	27 168	27 168
Land							
Zoo's, Marine and Non-biological Animals							
Mature							
Immature							
Living Resources		-	-	-	-	-	-

Total Renewal of Existing Assets	2	6 139	79 541	127 068	198 734	182 206	182 206
<i>Roads Infrastructure</i>			7 951	28 438	58 245	60 949	60 949
<i>Storm water Infrastructure</i>							
<i>Electrical Infrastructure</i>							
<i>Water Supply Infrastructure</i>			46 618	13 402			
<i>Sanitation Infrastructure</i>		6 139	14 999	57 087	107 989	109 194	109 194
<i>Solid Waste Infrastructure</i>				2 113	12 000	2 000	2 000
<i>Rail Infrastructure</i>							
<i>Coastal Infrastructure</i>							
<i>Information and Communication Infrastructure</i>							
Infrastructure		6 139	69 569	101 041	178 234	172 142	172 142
Community Facilities			9 972	13 651	17 500	4 720	4 720
Sport and Recreation Facilities				4 348			
Community Assets		-	9 972	17 999	17 500	4 720	4 720
Heritage Assets							
Revenue Generating							
Non-revenue Generating							
Investment properties		-	-	-	-	-	-
Operational Buildings				8 028	3 000	5 344	5 344
Housing							
Other Assets		-	-	8 028	3 000	5 344	5 344
Biological or Cultivated Assets							
Servitudes							
Licences and Rights							
Intangible Assets		-	-	-	-	-	-
Computer Equipment							
Furniture and Office Equipment							
Machinery and Equipment							
Transport Assets							
Land							
Zoo's, Marine and Non-biological Animals							
Mature							
Immature							
Living Resources		-	-	-	-	-	-
Total Upgrading of Existing Assets	6	-	7 303	-	20 000	22 212	22 212
<i>Roads Infrastructure</i>							
<i>Storm water Infrastructure</i>							
<i>Electrical Infrastructure</i>			6 919		16 500	19 800	19 800
<i>Water Supply Infrastructure</i>			383		3 500		
<i>Sanitation Infrastructure</i>							
<i>Solid Waste Infrastructure</i>						2 412	2 412
<i>Rail Infrastructure</i>							
<i>Coastal Infrastructure</i>							
<i>Information and Communication Infrastructure</i>							
Infrastructure		-	7 303	-	20 000	22 212	22 212
Community Facilities							
Sport and Recreation Facilities							
Community Assets		-	-	-	-	-	-
Heritage Assets							
Revenue Generating							
Non-revenue Generating							
Investment properties		-	-	-	-	-	-
Operational Buildings							
Housing							
Other Assets		-	-	-	-	-	-
Biological or Cultivated Assets							
Servitudes							
Licences and Rights							
Intangible Assets		-	-	-	-	-	-
Computer Equipment							
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	(25 989)	301 068	393 127	500 649	643 772	643 772
<i>Roads Infrastructure</i>			7 951	28 438	58 245	60 949	60 949
<i>Storm water Infrastructure</i>							
<i>Electrical Infrastructure</i>			24 804	10 894	38 705	47 419	47 419
<i>Water Supply Infrastructure</i>			63 660	73 133	60 674	61 289	61 289
<i>Sanitation Infrastructure</i>		6 139	56 671	98 048	131 989	149 709	149 709
<i>Solid Waste Infrastructure</i>				2 113	12 000	4 412	4 412
<i>Rail Infrastructure</i>							
<i>Coastal Infrastructure</i>							
<i>Information and Communication Infrastructure</i>						5 000	5 000
Infrastructure		6 139	153 087	212 626	301 613	328 778	328 778
Community Facilities			9 972	15 735	22 490	7 796	7 796
Sport and Recreation Facilities				4 348		600	600
Community Assets		-	9 972	20 083	22 490	8 396	8 396
Heritage Assets							
Revenue Generating							
Non-revenue Generating							
Investment properties		-	-	-	-	-	-
Operational Buildings			84 758	84 240	65 114	168 344	168 344
Housing		(31 791)	40 058	41 179	32 000	50 214	50 214
Other Assets		(31 791)	124 817	125 419	97 114	218 558	218 558
Biological or Cultivated Assets							
Servitudes							
Licences and Rights				22	50	220	220
Intangible Assets		-	-	22	50	220	220
Computer Equipment			820	8 215	19 268	21 806	21 806
Furniture and Office Equipment			128	326	3 858	3 217	3 217
Machinery and Equipment			2 181	6 011	32 816	35 630	35 630
Transport Assets		(337)	10 063	20 425	23 440	27 168	27 168
Land							
Zoo's, Marine and Non-biological Animals							
Mature							
Immature							
Living Resources		-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset Class		(25 989)	301 068	393 127	500 649	643 772	643 772
ASSET REGISTER SUMMARY - PPE (WDV)	5	5 889 439	6 017 110	5 655 187	6 705 888	6 480 569	6 480 569
<i>Roads Infrastructure</i>		(6 661 348)	(6 812 574)	(6 810 327)	13 416	21 416	21 416
<i>Storm water Infrastructure</i>			(16 896)	(186 567)	9 607	(393)	(393)
<i>Electrical Infrastructure</i>		(76 036)	(69 693)	(56 175)	(35 799)	(55 361)	(55 361)
<i>Water Supply Infrastructure</i>			(4 884)	(164 132)	49 097	17 453	17 453
<i>Sanitation Infrastructure</i>			(97)	11 474	66 154	(4 035)	(4 035)
<i>Solid Waste Infrastructure</i>				(72)	10 000	2 412	2 412
<i>Rail Infrastructure</i>							
<i>Coastal Infrastructure</i>							
<i>Information and Communication Infrastructure</i>							
Infrastructure		(6 737 385)	(6 904 144)	(7 205 799)	112 474	(18 508)	(18 508)
Community Assets			277 611	280 931	114 212	8 465	8 465
Heritage Assets					2 450	2 450	2 450
Investment properties		12 000	23 059	(70 048)	668 197	668 197	668 197
Other Assets				11 617	(250)	(12 250)	(12 250)
Biological or Cultivated Assets					3 064	3 064	3 064
Intangible Assets		12 639 416	12 650 701	12 650 701	2 272	2 272	2 272
Computer Equipment			10 134	19 712	(1 950)	20 570	20 570
Furniture and Office Equipment				393	(52 341)	(52 704)	(52 704)
Machinery and Equipment				11 568	(1 712)	(255)	(255)
Transport Assets		(24 592)	(56 994)	(42 122)	5 611	5 410	5 410
Land			16 742	(1 768)	5 853 860	5 853 860	5 853 860
Zoo's, Marine and Non-biological Animals							
Living Resources							
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)		5 889 439	6 017 110	5 655 187	6 705 888	6 480 569	6 480 569

EXPENDITURE OTHER ITEMS							
Depreciation	7	252 857	251 998	310 024	286 928	250 928	250 928
Repairs and Maintenance by Asset Class	3	297 652	290 040	339 884	558 748	496 415	496 415
<i>Roads Infrastructure</i>		30 328	35 772	65 185	96 114	60 966	60 966
<i>Storm water Infrastructure</i>							
<i>Electrical Infrastructure</i>		80 408	87 051	101 245	136 861	137 662	137 662
<i>Water Supply Infrastructure</i>		50 160	46 918	33 438	69 254	59 706	59 706
<i>Sanitation Infrastructure</i>		60 524	46 978	60 183	126 158	108 182	108 182
<i>Solid Waste Infrastructure</i>							
<i>Rail Infrastructure</i>							
<i>Coastal Infrastructure</i>							
<i>Information and Communication Infrastructure</i>							
Infrastructure		221 421	216 719	260 051	428 387	366 516	366 516
Community Facilities		52 532	49 534	59 838	74 417	74 028	74 028
Sport and Recreation Facilities		9 734	9 077	6 391	12 982	12 992	12 992
Community Assets		62 266	58 611	66 228	87 400	87 021	87 021
Heritage Assets							
Revenue Generating							
Non-revenue Generating							
Investment properties		-	-	-	-	-	-
Operational Buildings		13 964	14 710	13 604	42 961	42 878	42 878
Housing							
Other Assets		13 964	14 710	13 604	42 961	42 878	42 878
Biological or Cultivated Assets							
Servitudes							
Licences and Rights							
Intangible Assets		-	-	-	-	-	-
Computer Equipment							
Furniture and Office Equipment							
Machinery and Equipment							
Transport Assets							
Land							
Zoo's, Marine and Non-biological Animals							
Mature							
Immature							
Living Resources		-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		550 509	542 038	649 908	845 676	747 343	747 343
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		-23.6%	28.8%	32.3%	43.7%	31.8%	31.8%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		2.4%	34.5%	41.0%	76.2%	81.5%	81.5%
<i>R&M as a % of PPE & Investment Property</i>		-4.4%	-4.4%	-4.9%	8.3%	7.7%	7.7%
<i>Renewal and upgrading and R&M as a % of PPE and Investment Pr</i>		-4.5%	-5.7%	-6.7%	11.6%	10.8%	10.8%

Table 10 MBRR Table B10 – Basic Service Delivery Measurement

Choose name from list - Table B10 Basic service delivery measurement - 2025/02/28												
Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Household service targets	1											
Water:												
Piped water inside dwelling		83854								84	0	0
Piped water inside yard (but not in dwelling)											0	0
Using public tap (at least min.service level)	2	13025								13	0	0
Other water supply (at least min.service level)		11381								11		
<i>Minimum Service Level and Above sub-total</i>		108								108		
Using public tap (< min.service level)	3											
Other water supply (< min.service level)	3,4											
No water supply												
<i>Below Minimum Service Level sub-total</i>												
Total number of households	5									108		
Sanitation/sewerage:												
Flush toilet (connected to sewerage)		83854								83 854		
Flush toilet (with septic tank)												
Chemical toilet		24405								24 405		
Pit toilet (ventilated)												
Other toilet provisions (> min.service level)		0										
<i>Minimum Service Level and Above sub-total</i>		108 259								108 259		
Bucket toilet												
Other toilet provisions (< min.service level)		24405								24 405		
No toilet provisions		0										
<i>Below Minimum Service Level sub-total</i>		24 405								24 405		
Total number of households	5	132 664								132 664		
Energy:												
Electricity (at least min. service level)		22562								22 562	24818	27300
Electricity - prepaid (> min.service level)		11572								11 572	12729	14002
<i>Minimum Service Level and Above sub-total</i>		34 134								34 134	37 547	41 302
Electricity (< min.service level)		3996								3 996	4396	4836
Electricity - prepaid (< min. service level)												
Other energy sources												
<i>Below Minimum Service Level sub-total</i>		3 996								3 996	4 396	4 836
Total number of households	5	38 130								38 130	41 943	46 138
Refuse:												
Removed at least once a week (min.service)		101054								101 054	111159	122275
<i>Minimum Service Level and Above sub-total</i>		101 054								101 054	111 159	122 275
Removed less frequently than once a week		7347								7 347	8082	8890
Using communal refuse dump												
Using own refuse dump												
Other rubbish disposal												
No rubbish disposal												
<i>Below Minimum Service Level sub-total</i>		7 347								7 347	8 082	8 890
Total number of households	5	108 401								108 401	119 241	131 165

Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)		8	-	-	-	-	-	-	8	8	9	
Sanitation (free minimum level service)		8	-	-	-	-	-	-	8	8	9	
Electricity/other energy (50kwh per household per month)		8	-	-	-	-	-	-	8	8	9	
Refuse (removed at least once a week)		8	-	-	-	-	-	-	8	8	9	
Informal Settlements												
Cost of Free Basic Services provided (R'000)	16											
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-	
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-	
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-	
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-	-	
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	-	-	-	-	-	-	-	-	-	
Total cost of FBS provided		-	-	-	-	-	-	-	-	-	-	
Highest level of free service provided												
Property rates (R'000 value threshold)		50000							50 000	50000	50000	
Water (kilolitres per household per month)		6 4872							6	6 4872	6 4872	
Sanitation (kilolitres per household per month)		6 4872							6	6 4872	6 4872	
Sanitation (Rand per household per month)												
Electricity (kwh per household per month)		50							50	50	50	
Refuse (average fires per week)		240							240	240	240	
Revenue cost of free services provided (R'000)	17											
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		15							-	15	15	15
Property rates - exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	-	-	-	-	-	-	-	-	-	
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-	
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-	
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-	
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-	-	
Municipal Housing - rental rebates												
Housing - top structure subsidies	6											
Other												
Total revenue cost of subsidised services provided		15	-	-	-	-	-	-	-	15	15	15

QUALITY CERTIFICATE

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MCLM: GT481 2025/2026 Mid Year Adjustment Budget and MTREF

Municipal Manager's quality certificate.

I Makhosana Msezana, Municipal Manager of Mogale City Local Municipality (GT481), hereby confirm that the 2025/26 Mid-Year Adjustment budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the Mid-Year Adjustment budget and supporting documents are consistent with the Integrated Development Plan of the Municipality

Print name

MAKHOSANA MSEZANA

Municipal Manager of Mogale City Local Municipality and GT481

Signature: 

Date: 