DR PIXLEY KA ISAKA SEME MUNICIPALITY

DRAFT ANNUAL BUDGET 2026/27 TO 2028/29

MFMA Section 16(2) Report

1. TABLE OF CONTENTS

Abbreviations and Acronyms

CFO	Chief Financial Officer
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
FBS	Free basic services
GAMAP	Generally Accepted Municipal Accounting Practice
GDP	Gross domestic product
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Strategy
IT	Information
kℓ	kilolitre
km	kilometre
kWh	kilowatt
ℓ	litre
LED	Local Economic Development
MFMA	Municipal Financial Management Act
MIG	Municipal Infrastructure Grant
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator South Africa
NGO	Non-Governmental organisations
NKPIs	National Key Performance Indicators
PPE	Property Plant and Equipment
SDBIP	Service Delivery Budget Implementation Plan
SMME	Small Micro and Medium Enterprises

PART 1 – FINAL ANNUAL BUDGET

1. MAYOR'S REPORT

2. BUDGET RESOLUTIONS

That in terms of the Section 24 of the Municipal Finance Management Act, 56 of 2003, the annual budget of the municipality for the financial year 2026/27; and indicative allocations for the two projected outer years 2027/28 and 2028/29; and the multi-y6ear and single year capital appropriations as sets out in the following tables:-

- The annual budget of the municipality for the financial year 2026/27 and the multi-year and single-year capital appropriations as set out in the following tables:
- Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2
- Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3
- Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4
- Multi-year and single-year capital appropriations by municipal vote and function classification and associated funding by source as contained in Table A5

The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:

- Budgeted Financial Position as contained in Table A6;
- Budgeted Cash Flows as contained in Table A7;
- Cash backed reserves and accumulated surplus reconciliation as contained in Table A8;
- Asset management as contained in Table A9; and
- Basic service delivery measurement as contained in Table A10.

(a) That the revenue source that will be utilised to fund both operating and capital budgets be approved and adopted.

(b) That in terms of the Section 24(2)(c)(i) of the Municipal Finance Management Act, 56 of 2003, and Sections 74 and 75A of the Local Government Municipal Systems Act, 32 of 2000 as amended, the tariffs for the electricity, waste services and property rates as set out in Annexure C be approved and adopted with effect from 1 July 2026:

(c) THAT the following budget related policies be referred to the By-Laws and Policies Committee for review:

- Acting Allowance Policy
- Appointment of Temporal Worker's Policy
- Credit Control and Debt Collection Policy
- Supply Chain management Policy
- Annexure to the SCM policy
- Rates Policy
- Tariff Policy
- Provision for Doubtful debt Policy
- Cash Management and Investment Policy
- Virement Policy
- Petty Cash Policy
- Indigent Support Policy
- Budget Policy
- Fixed Asset Management Policy
- Education Policy
- Overtime Policy
- Leave Policy
- Promotion Policy
- Recruitment Policy
- Retention Policy
- Student assistance Policy
- Transfer Policy
- The cost containment policy
- The revenue management strategy
- Contract Management Policy
- Furniture Policy
- Standby Policy
- Travelling Allowance Policy

Draft UIF&W Reduction Strategy

3. LEGISLATION COMPLIANCE STATUS

In terms of Section 16 (1) of the MFMA the council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year. (2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year. (3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.

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

- The budget process.
- Supply Chain Management.
- Financial in-year reporting.
- Adjustment budgeting
- Annual reporting.
- Compilation and implementation of various policies.
- Compilation of procedural notes for main financial accounting processes.
- The budget and Treasury office has been established in accordance with the requirements
- Service Delivery and Budget Implementation plans are applied as monitoring tools
- Audit Committee has been established

Compliance with MFMA Circular No. 71

The budget circular is compiled annually to guide municipalities on how to prepare their budget inputs. This circular is a follow-up to the MFMA Budget Circular No.91 that focused on the preparation of the 2025/26 Medium Term Revenue and Expenditure Framework (MTREF). This guidance includes national policy imperatives that should be accommodated and other relevant information. The circular provides a summary of South Africa's economic outlook, inflationary targets, financial management issues and specific reference on how to give effect to National Treasury's Municipal Budget and Reporting Regulations (MBRR).

The budget tables have prepared in terms of MFMA Circular No. 28, it is however brought to Council's attention that the budget is prepared to comply with the requirements of the Municipal Budget and Reporting Regulations (MBRR). It for this reason that Council is urged to acquaint itself with the format, since Council is expected to scrutinize and approved the budget prepared only in terms of Gazette 32141.

Legislations

Dr Pixley Ka Isaka Seme Municipality has complied with a number of legislations amongst others-

- Municipal Finance Management Act (No. 56 of 2003)
- Municipal Budget and Reporting Regulations (Government Gazette 32141)
- Annual Division of Revenue Act
- Municipal Structures Act (No. 117 of 1998), as amended
- Municipal Systems Act (No. 32 of 2000), as amended
- Municipal Property Rates Act (No. 6 of 2004), as amended
- Municipal Fiscal Powers and Functions Act (No. 12 of 2007)

Other National Treasury Circulars

- MFMA Circular No. 12 – Principles of doing a virement
- MFMA Circular No. 51- Principles of doing a virement
- MFMA Circular No. 71 – Financial Ratios and Norms
- MFMA Circular No. 82 – Cost Containment measures
- MFMA Circular No. 86 – Appropriation statement and reporting on approved roll overs
- MFMA Circular No. 88 - Principles of doing a virement
- MFMA Circular No. 89 – Long term borrowings
- MFMA Circular No. 91 – VAT guidelines and Tax compliance status
- MFMA Circular No. 94 – Budget Circular for the 2019/20 MTREF
- Budget Formats Guidelines

4. (a) EXECUTIVE SUMMARY

The purpose of the 2026/27 medium-term budget is to comply with the Municipal Finance Management Act (No.56 of 2003) and is a financial plan to enable the municipality to achieve its vision and mission through the IDP which informs the Dr Pixley Ka Isaka Seme Municipality's five-year programme and community/stakeholder inputs.
The budget circular number 94 was used and it is compiled annually to guide municipalities on how to prepare their budget inputs. This circular is a follow-up to the MFMA Budget Circular No.91 that focused on the preparation of the 2025/26/ Medium Term Revenue and Expenditure Framework (MTREF). This guidance includes national policy imperatives that should be accommodated and other relevant information. The circular provides a summary of South Africa's economic outlook, inflationary targets, financial management issues and specific reference on how to give effect to National Treasury's Municipal Budget and Reporting Regulations (MBRR).

The budget tables have prepared in terms of MFMA Circular No. 28, it is however brought to Council's attention that the budget is prepared to comply with the requirements of the Municipal Budget and Reporting Regulations (MBRR). It for this reason that Council is urged to acquaint itself with the format, since Council is expected to scrutinize and approved the budget prepared only in terms of Gazette 32141.

MUNICIPAL COUNCIL

DESIGNATION	SURNAME & INITIALS	POLITICAL PARTY	WARD
Councillor	BJ Mhlanga	ANC	09
Councillor	Bongani Terence Achiebald	ANC	01
Councillor	Ngema Xolane Burneth	ANC	02
Councillor	Hlakutse Teboho Victor	ANC	03
Councillor	Gangat Ayub Farouk	ANC	04
Councillor	Mncube Norman Saratia	ANC	05
Councillor	Msibi Nephry Winnie	ANC	06
Councillor	Thwala Tsepo Hope	ANC	07
Councillor	Maseko Happy	ANC	08
Councillor	Dlamini Casper Sunday	ANC	09
Councillor	Mbethe Zama	ANC	10
Councillor	Sangweni Moyeni Zofaniya	ANC	11

SENIOR OFFICIALS

DESIGNATION	INITIALS & SURNAME
Municipal Manager	Mr MA Ngcobo
Chief Financial Officer	Mrs NL Khuzwayo
Director: Corporate Services	Mr FI Mofokeng
Infrastructure Services	Mr MA Ngcobo
Director: Community Services	Mr MG Nyembe

4 (b) ADOPTED MEDIUM TERM BUDGET 2019/20 TO 2026/27

INTRODUCTION

The purpose of the 2026/27 medium-term budget is to comply with the Municipal Finance Management Act (No.56 of 2003) and is a financial plan to enable the municipality to achieve its vision and mission through the IDP which informs the Dr Pixley Ka Isaka Seme Municipality's five-year programme and community/stakeholder inputs.

The MFMA Circular No.94 states that *to facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:*

- *Section 22(b)(i) of the MFMA requires that, immediately after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial This includes the submission of the mSCOA data string.*
- *Section 24(3) of the MFMA, read together with regulation 20(1), requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury within ten working days after the council has approved the annual budget.*

The budget has been prepared in terms of the Municipal Budget and Reporting Regulations (MBRR). The tabling of final budget is as a journey towards consultation processes with communities throughout the municipal area and all other relevant stakeholders.

OPERATING BUDGET

Tariff of Charges

The proposed revenue tariffs are as follows as per the MFMA Circular 130:

- *Property rates*

The property rates tariffs will remain unchanged due phasing out of the rebates for residential, Businesses and Agricultural properties which are resulting in financial losses for Property Rates revenue.

- *Sewerage tariffs*

The sewerage tariffs are proposed to increase as follows as per the cost reflective tool outcome as follows:

Category	Block Number	Return flow	Volume of water sold in block	Estimated volume of wastewater returned in block	2025 Basic charge	2025 Tariff (R/kl)	Revenue required from tariff	Cost reflective basic charge	Cost reflective tariff (R/kl)	Percentage Increase/ Decrease R/kl	Percentage Increase/ Decrease Basic Charge
Residential	1	60%	1 348 362	809 017	146.32	16.63	8 780 909	100.00	2.17	-87%	- 0.32
Business	1	60%	561 156	336 694	292.63	18.50	5 621 813	152.76	14.15	-24%	- 0.48
Government	1	60%	153 924	92 354	292.63	18.50	1 002 396	152.76	8.31	-55%	- 0.48
Siyazenzela	1	60%	19 089	11 453	87.95	16.63	124 313	91.82	0.65	-96%	0.04
Ezamokuhle / Esizameleni	1	60%	694 476	416 686	87.95	16.63	4 522 621	91.82	0.65	-96%	0.04
Schools	1	60%	63 024	37 814	192.15	18.50	631 391	200.60	15.03	-19%	0.04
Dana Tehuis	1	60%	2 933	1 760	2 404.33	16.63	29 384	2 325.00	0.68	-96%	- 0.03
Kana Tehuis	1	60%	2 933	1 760	2 404.33	16.63	29 384	2 325.00	0.68	-96%	- 0.03

Council in its meeting on the 30th April 2025 under resolution number 147/2025 that the tariff on the wastewater be corrected in the 2025/26 financial year on the billing of 60% of the water consumption. Due to this resolution of Council, it is proposed that the tariff be increased by 20% on the basic charge in order to recover for the cost associated with the wastewater treatment costs.

- *Refuse tariffs*

The refuse removal tariffs are proposed to increase as follows as per the cost reflective tool outcome as follows:

Category	Cost reflective fixed charge per customer per month	2025 tariff	% increase 2025 to model	Percentage Increase/ Decrease	Proopos ed tariff Year 1	Proopos ed tariff Year 2	Proopos ed tariff Year 3	Proopos ed tariff Year 4	Proopos ed tariff Year 5
Residential Volksrust, Amerfoort, Wakkerstroom	365.66	122.99	297.31	197%	147.59	177.11	212.53	255.03	306.04
Schools	416.23	228.53	182.13	82%	274.24	329.08	394.90	418.59	
Residentual Esizameleni, Ezamokuhle,Vukuzakhe	365.66	60.31	606.30	506%	72.37	86.85	104.22	125.06	150.07
Business	416.23	174.05	239.14	139%	208.86	250.63	300.76	360.91	433.09
Welfare and churches	416.23	62.05	670.80	571%	74.46	89.35	107.22	128.67	154.40
Refuse yellow bin	416.23	397.78	104.64	5%	417.67				

Since 2025/26 council adopted the cost reflective tariffs through the phasing in approach over the next five years as indicated in the above table. 2026/27 will be year 2 on the implementation of the tariffs and indicates an increase of 20%

- *Water tariffs*

The water tariffs are proposed to increase as follows as per the cost reflective tool outcome as follows:

Category	Block Number	Bottom of Block	2025 Tariff (R/kl)	Cost reflective basic charge	Cost reflective tariff (R/kl)	Percentage Increase	Prooposed tariff Year 1	Prooposed tariff Year 2	Prooposed tariff Year 3	Prooposed tariff Year 4	Prooposed tariff Year 5
Residentia	1	0.00	-	22.80	-						
	2	6.01	12.36		37.50	203%	14.83	17.80	21.36	25.63	30.76
	3	15.01	16.63		50.60	204%	19.96	23.95	28.74	34.48	41.38
Business	1	0.00	13.33	116.00	17.00	28%	16.00	17.28			
	2	10.01	15.28		24.60	61%	18.34	22.00	26.40	31.68	38.02
	3	30.01	15.28		35.70	134%	18.34	22.00	26.40	31.68	38.02
	4	50.01	18.50		57.00	208%	22.20	26.64	31.97	38.36	46.03

Since 2025/26 council adopted the cost reflective tariffs through the phasing in approach over the next five years as indicated in the above table. 2026/27 will be year 2 on the implementation of the tariffs and indicates an increase of 20%

- *Electricity tariffs*

Proposed average increase of **10.2%** based on the cost of supply study tool and subject to approval by NERSA.

- The cash flow projections will be based on 60% collection.

- The provision of free basic services will still be provided to only all approved Indigent customers for 6KL of water for free and 50KWH for free. The indigent subsidy per month per customer is **R340.**

- All other sundry fees of the municipality are mainly adjusted taking into consideration the actual cost to render these services and the inflation rate of **3.4%.**

All the tariffs will be taken for public consultation processes prior implementation, meetings will be held in all Wards as per the dates that were as approved Council for the IDP/ budget process plan in August 2025.

ALIGNMENT WITH NATIONAL AND PROVINCIAL PRIORITIES

The Dr Pixley Ka Isaka Seme Municipality's IDP and medium-term budget aligns with national and provincial initiatives to ensure optimal impact from combined effort of government. The Municipality is confident that this budget is structured to give effect to the strategic priorities and support long-term sustained growth and development in line with National and Provincial objectives.

The following priorities are part of National Government's framework to enhance the social, cultural and economic welfare of all South Africans.

- Enhancement of economic development
- Improvement of Revenue collection
- Eradication of backlogs - Water ,Sanitation& Electricity
- Land for Human Settlements
- Waste Management
- Maintenance of Infrastructure
- Improvement of the Road Infrastructure
- Improving the provision of healthcare and education

The 2025/26 medium term budget seeks to address a number of these priorities by, amongst others, wider provision of municipal services, free basic services for indigents, initiatives to encourage capital spending to provide a vast public infrastructure.

OPERATIONAL BUDGET

DRAFT BUDGET SUMMARY

SUMMARY				
Description	Adjusted Budget 2025/26	2026/27	2027/28	2028/29
Total Operating Revenue	R 543 256 332.00	R 551 775 987.71	R 657 537 355.08	R 690 290 788.76
Total Operating Expenditure	-R 529 979 000.00	-R 551 390 003.98	-R 556 662 016.93	-R 581 429 767.77
Surplus /(Deficit) for year before grants & transfers	**R 13 277 332.00**	**R 385 983.74**	**R 100 875 338.15**	**R 108 861 020.99**
Transfers & Subsidies - (Monetary allocations) Capital Grants	R 80 478 000.00	R 85 247 200.00	R 83 603 050.00	R 86 825 450.00
Net surplus/(deficit) after grants and transfers	**R 93 755 332.00**	**R 85 633 183.74**	**R 184 478 388.15**	**R 195 686 470.99**
Internally Funded CAPEX	-R 4 300 000.00	-R 4 500 000.00	R -	R -
Surplus/ Deficit	**R 98 055 332.00**	**R 81 133 183.74**	**R 184 478 388.15**	**R 195 686 470.99**

OPERATIONAL REVENUE

DETAILS	2026/27		2027/28		2028/29	
Exchange Revenue						
Service charges: Electricity	R	117 162 430.00	R	129 112 998.00	R	142 282 524.00
Service charges: water	R	41 013 910.00	R	42 362 369.00	R	43 723 125.00
Service charges: waste water management	R	23 300 837.00	R	24 056 765.00	R	24 839 998.00
Service charges: waste management	R	14 934 489.00	R	15 427 327.00	R	15 921 002.00
Sale of goods and rendering of services	R	752 680.47	R	777 518.92	R	802 399.53
Interest earned from receivables	R	73 947 421.99	R	76 387 686.91	R	78 832 092.89
Interest earned from Current and Non-current assets	R	3 774 617.00	R	3 899 179.36	R	4 023 953.10
Rental from fixed assets	R	2 805 207.88	R	2 897 779.74	R	2 990 508.69
Operational revenue	R	4 983 676.30	R	5 148 137.62	R	5 312 878.02
Non-Exchange Revenue						
Property rates	R	82 319 612.02	R	85 036 159.22	R	87 757 316.31
Licences and permits	R	10 784.62	R	11 140.51	R	11 497.01
Fines and penalties	R	486 027.56	R	502 066.47	R	518 132.60
Transfers and subsidies	R	267 504 000.00	R	268 953 000.00	R	280 210 000.00
Gains on disposal of assets	R	2 775 422.00	R	2 867 011.00	R	2 958 756.00
Total Revenue	**R**	**635 771 115.84**	**R**	**657 439 138.76**	**R**	**690 184 183.16**

The Municipality's operational revenue is made up of 42% from Grants and 58% from Own revenue.

Total Revenue - there is an increase in the total revenue amounting to R91 514 784.00 from R543 256 332 000.00 in 2025/26 to R635 771 116.00 in 2026/27

OPERATIONAL EXPENDITURE

DETAILS	2026/27		2027/28		2028/29	
Employees Related Costs	R	127 146 597.50	R	131 342 435.22	R	135 545 393.14
Remuneration of Councilors	R	11 702 812.00	R	12 089 004.80	R	12 475 852.95
Bulk purchases electricity	R	109 490 593.48	R	119 355 695.95	R	130 109 644.15
Inventory consumed	R	30 397 020.00	R	31 400 121.66	R	32 404 925.55
Debt Impairment	R	102 827 255.00	R	106 220 554.00	R	109 619 612.00
Depreciation	R	60 858 843.00	R	62 867 185.00	R	64 878 935.00
Interest	R	9 000 000.00	R	9 297 000.00	R	9 594 504.00
Contracted services	R	39 623 005.00	R	40 951 364.17	R	42 281 807.82
Irrecoverable debts written off	R	5 495 190.00	R	5 676 531.00	R	5 858 180.00
Operational costs	R	36 265 368.00	R	37 462 125.14	R	38 660 913.15
Loss on Disposal of Assets	R	18 583 320.00	R	19 196 569.56	R	19 849 252.93
Total Expenditure	**R**	**551 390 003.98**	**R**	**556 662 016.93**	**R**	**581 429 767.77**

Total Expenditure- the overall total increased with R8 519 656.00 from R529 979 000.00 in 2025/26 financial year to R551 3900 004.00 in 2026/27

Employee-related costs increased by 4.75%. Employee Related Costs increased from R121 381 000.00 to R127 146 598.00 and constitute 23% of operating expenditure.

Bulk purchases increase with 9.01% from R100 440 548.00 to R109 490 594.00 and constitutes 20% of total operating expenditure.

Operational expenditure for 2026/27 amounts to R36 265 368.00 which constitutes 7% of the OPEX budget

The cost associated with the remuneration of councilors is determined in accordance with the Remuneration of Public Office Bearers Act. Remuneration of councilors' increases with 3.4% from R11 318 000.00 to R11 702 812.00

Provision for depreciation has been informed by the asset register.

Priority given to repairs and maintenance.

The municipality remains committed to maintain infrastructure and an amount of R13 009 914.00 is provided for the 2026/2027

Repairs and maintenance constitute 2% of operating expenditure. Although National Treasury indicate a guideline of 8% the provision will be increased once our collection rate increases.

OPERATIONAL AND CAPITAL GRANTS FOR 2026/27 FINANCIAL YEAR AS PER DORA ALLOCATION

DETAILS	2025/26		2026/27		2027/28	
Equitable Share	R	176 260 000.00	R	180 997 000.00	R	188 881 000.00
Muicipal Infrastrure Grant	R	31 876 000.00	R	35 059 000.00	R	36 071 000.00
Expanded Public Works Program	R	1 903 000.00	R	-	R	-
Financial Management Grant	R	2 500 000.00	R	2 600 000.00	R	2 700 000.00
Water Services Infrasture Grant	R	54 479 000.00	R	41 453 000.00	R	43 314 000.00
Integrated National Electrification Programme Grant	R	486 000.00	R	8 844 000.00	R	9 244 000.00
Total	**R**	**267 504 000.00**	**R**	**268 953 000.00**	**R**	**280 210 000.00**

CAPITAL BUDGET FUNDED
a) CAPITAL BUDGET FUNDED BY GRANTS:
CAPITAL PROJECTS FUNDED BY MUNICIPAL INFRASTRUCTURE GRANT:

No	Project Description	2026/27	2027/28	2028/29
1	Refurbishment of Volksrust Water Treatment Plant (Ward 4)	4,500,000.00	4,000,000.00	4,000,000.00
2	Construction of pavement road in ward 9	2,000,000.00	2,000,000.00	2,000,000.00
3	Construction of water reticulation in ward 7	2,000,000.00	2,000,000.00	2,000,000.00
4	Construction of water and sewer reticulation in ward 3	3,000,000.00	3,000,000.00	3,000,000.00
5	Refurbishment of pump station in ward 11	1,000,000.00	2,000,000.00	2,000,000.00
6	Refurbishment of Hoof and Beta Metal Pump Stations in Ward 3	5,000,000.00	5,000,000.00	5,000,000.00
7	Construction of sewer reticulation in Vukuzakhe Ward 2	1,000,000.00	2,000,000.00	2,461,400.00
8	Construction of storm water drainage in ward 11	2,300,000.00	2,306,050.00	2,306,050.00
9	Construction of sewer reticulation in Ward 1	1,104,850.00	2,500,000.00	3,000,000.00
10	Construction of toilet top structures in Perdekop in Ward 6	2,000,000.00	2,000,000.00	2,000,000.00
11	Drilling of new boreholes in Wakkerstroom ward 5	2,377,350.00	2,500,000.00	2,500,000.00
12	Construction of pavement in ward 8	2,000,000.00	2,000,000.00	2,000,000.00
13	Construction of pavement in ward 10	2,000,000.00	2,000,000.00	2,000,000.00
	PMU Admin Costs	1,593,800.00	1,752,950.00	1,803,550.00
	Total	**31,876,000.00**	**35,059,000.00**	**36,071,000.00**

CAPITAL PROJECTS FUNDED BY WATER INFRASTRUCTURE GRANT:

Project	2026/27	2027/28	2028/29
Sewer Reticulation in Amersfoort town	R 54 479 000.00	R 41 453 000.00	R 43 314 000.00

CAPITAL PROJECTS FUNDED BY INTEGRATED NATIONAL PROGRAMME GRANT:

Projects	2026/27	2026/27	2026/27
Pre-engineering studies - Electrification of Hlanganani Trust 1 Phase 1	R 486 000.00	R -	R -
Electrification of Hlanganani Trust 1- Phase 2	R -	R 8 844 000.00	R 9 244 000.00
Total	**R 486 000.00**	**R 8 844 000.00**	**R 9 244 000.00**

PROPOSSED INTERNALLY FUNDED PROJECTS:

Projects	Budget
Procurement of service delivery vehicles for Fire Department and Skit unit	R1 000 000.00
Rehabilitation of roads in Volksrust Ward 4	R3 500 000.00
Total	**R4 500 000.00**

FUNDED BUDGET

The budget will be submitted to Provincial Treasury for assessment if it is funded or not prior the municipal data strings are submitted to National Treasury.

5. BUDGET TABLES AND RELATED CHARTS

MP304 Pixley Ka Seme (MP) - Table A1 Budget Summary

Description	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousands	Audited	Audited	Audited	Original	Adjusted	Full Year	Pre-audit	Budget Year	Budget Year +1	Budget Year +2
Financial Performance										
Property rates	51 412	52 551	54 067	94 482	–	–	33 336	82 320	85 036	87 757
Service charges	117 255	139 309	173 673	211 909	–	–	94 260	196 412	210 959	226 767
Investment revenue	5 009	2 208	3 993	3 650	–	–	435	3 775	3 899	4 024
Transfer and subsidies - Operational	155 157	193 233	174 821	178 878	–	–	129 522	182 257	185 350	193 385
Other own revenue	91 190	81 286	74 645	89 422	–	–	32 880	85 761	88 591	91 426
Total Revenue (excluding capital transfers and contributions)	420 023	468 586	481 199	578 342	–	–	290 433	550 524	573 836	603 359
Employee costs	101 115	102 827	106 560	122 881	–	–	54 194	127 147	131 342	135 545
Remuneration of councillors	9 812	10 482	10 736	11 318	–	–	5 246	11 703	12 089	12 476
Depreciation, amortisation and impairment	73 606	76 938	75 582	61 859	–	–	–	79 169	82 064	84 728
Interest, Dividends and Rent on Land	14 827	11 441	11 878	9 000	–	–	1 240	9 000	9 297	9 595
Inventory consumed and bulk purchases	100 085	116 984	133 257	159 067	–	–	72 264	139 888	150 756	162 515
Transfers and subsidies	–	–	–	–	–	–	–	–	–	–
Other expenditure	297 051	236 310	250 900	176 564	–	–	42 090	184 211	190 311	196 421
Total Expenditure	596 496	554 983	588 973	540 679	–	–	175 035	551 117	575 859	601 279
Surplus/(Deficit)	(176 473)	(86 397)	(107 774)	37 663	–	–	115 398	(593)	(2 023)	2 080
Transfers and subsidies - capital (monetary allocations)	36 386	15 000	92 573	68 878	–	–	–	85 247	83 603	86 825
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(140 088)	(71 397)	(15 201)	106 541	–	–	115 398	84 654	81 581	88 905
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(140 088)	(71 397)	(15 201)	106 541	–	–	115 398	84 654	81 581	88 905
Transfers and subsidies - capital (monetary allocations)	36 386	15 000	92 573	68 878	–	–	–	85 247	83 603	86 825
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(140 088)	(71 397)	(15 201)	106 541	–	–	115 398	84 654	81 581	88 905
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(140 088)	(71 397)	(15 201)	106 541	–	–	115 398	84 654	81 581	88 905
Capital expenditure & funds sources										
Capital expenditure	163 609	36 194	7 844	73 178	–	–	29 003	89 747	83 603	87 325
Transfers recognised - capital	140 231	11 823	4 831	68 878	–	–	28 285	85 247	83 603	87 325
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	25 561	13 853	1 930	4 300	–	–	719	4 500	–	–
Total sources of capital funds	165 791	25 677	6 761	73 178	–	–	29 003	89 747	83 603	87 325
Financial position										
Total current assets	197 513	247 817	292 711	494 111	–	–	376 822	154 561	219 324	321 395
Total non current assets	1 197 183	1 084 243	1 084 995	1 267 625	–	–	1 113 998	104 686	112 930	122 484
Total current liabilities	308 522	310 113	348 624	267 914	–	–	346 173	174 593	166 019	188 739
Total non current liabilities	97 682	101 511	123 063	111 663	–	–	123 063	–	–	–
Community wealth/Equity	988 506	920 436	906 019	1 382 159	–	–	1 017 720	84 654	166 235	255 140
Cash flows										
Net cash from (used) operating	29 661	(265 718)	(424 848)	97 927	–	–	–	423 828	516 271	402 760
Net cash from (used) investing	(34 308)	(40 906)	(84 395)	(73 178)	–	–	–	(84 196)	(77 869)	(80 908)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end:	97 703	(273 570)	(499 877)	33 263	–	–	–	339 632	778 034	1 099 886
Cash backing/surplus reconciliation										
Cash and investments available	97 703	(273 570)	(499 877)	33 263	–	–	–	339 632	778 034	1 099 886
Application of cash and investments	1 490 403	1 501 124	1 544 050	117 916	–	–	(1 021 235)	490 311	1 287 543	1 305 927
Balance - surplus (shortfall)	(1 392 700)	(1 774 694)	(2 043 927)	(84 653)	–	–	1 021 235	(150 679)	(509 509)	(206 041)
Asset management										
Asset register summary (WDV)	1 197 183	1 143 708	1 134 647	1 219 480	–	–		18 439	(56 921)	(134 692)
Depreciation	59 307	63 675	59 696	61 859	–	–		60 586	62 887	64 879
Renewal and Upgrading of Existing Assets	18 186	9 796	(0)	15 000	–	–		72 084	58 453	61 775
Repairs and Maintenance	24 289	26 758	24 377	16 060	–	–		19 058	18 467	19 058
Free services										
Cost of Free Basic Services provided	–	–	–	–	–	–		–	–	–
Revenue cost of free services provided	(507)	(8 995)	(8 404)	(21 850)	–	–		(17 416)	(26 421)	(25 046)
Households below minimum service level										
Water	–	–	–	–	–	–		–	–	–
Sanitation/sewerage	–	–	–	–	–	–		–	–	–
Energy	–	–	–	–	–	–		–	–	–
Refuse	–	–	–	–	–	–		–	–	–

Financial Performance Revenue & Expenditure

MP304 Pixley Ka Seme (MP) - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	####	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue											
Exchange Revenue											
Service charges - Electricity	2	57 938	70 795	82 386	106 318	-	-	53 965	117 102	129 113	142 283
Service charges - Water	2	28 975	34 846	36 717	39 605	-	-	21 165	41 014	42 362	43 723
Service charges - Waste Water Management	2	19 047	21 203	41 658	53 483	-	-	11 273	23 301	24 057	24 840
Service charges - Waste Management	2	11 295	12 466	12 912	12 443	-	-	7 858	14 934	15 427	15 921
Sale of Goods and Rendering of Services	2	470	458	565	708	-	-	284	753	778	802
Agency services	2	20 726	6 722	5 074	7 510	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	36 925	43 135	40 517	71 516	-	-	22 797	48 234	46 739	48 234
Interest earned from Current and Non Current Assets	2	5 009	2 208	3 993	3 650	-	-	435	3 775	3 899	4 024
Dividends	2	-	-	188	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	3 584	1 906	1 672	2 713	-	-	378	2 805	2 898	2 991
Licence and permits	2	-	-	-	-	-	-	-	-	-	-
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	2 654	1 677	1 821	3 812	-	-	2 742	4 984	5 148	5 313
Non-Exchange Revenue											
Property rates	2	51 412	52 551	54 067	94 482	-	-	33 336	82 320	85 036	87 757
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	934	943	690	470	-	-	219	486	502	518
Licences or permits	2	7 013	(82)	5	10	-	-	7	11	11	11
Transfer and subsidies - Operational	2	155 157	153 233	174 821	178 878	-	-	129 522	182 257	185 350	193 385
Interest	2	18 630	26 379	21 704	-	-	-	6 453	25 713	29 649	30 598
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2										
Gains on disposal of Fixed and Intangible Assets	2	-			2 684				2 775	2 867	2 959
Other Gains	2	254	148	2 409							
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)		**420 023**	**468 586**	**481 199**	**578 342**	-	-	**290 433**	**550 524**	**573 836**	**603 359**
Expenditure											
Employee related costs	2	101 115	102 827	106 560	122 881	-	-	54 194	127 147	131 342	135 545
Remuneration of councillors	2	9 812	10 482	10 796	11 318	-	-	5 246	11 703	12 089	12 476
Bulk purchases - electricity	2	76 207	87 156	98 838	118 160	-	-	58 899	109 491	119 356	130 110
Inventory consumed	2,8	23 877	29 828	34 369	40 897	-	-	13 365	30 397	31 400	32 405
Debt impairment	2,3	139 567	102 639	121 881	101 616	-	-	-	102 827	106 221	109 620
Depreciation, amortisation and impairment	2	73 606	76 938	75 582	61 859	-	-	-	79 169	82 064	84 728
Interest, Dividends and Rent on Land	2	14 827	11 441	11 878	9 000	-	-	1 240	9 000	9 297	9 595
Contracted services	2	52 220	54 137	53 909	36 306	-	-	25 704	39 623	40 951	42 282
Transfers and subsidies	2	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	2	18 103	7 918	4 171	5 495	-	-	2 187	5 495	5 677	5 858
Operational costs	2	62 688	49 277	64 468	33 147	-	-	14 200	36 265	37 462	38 681
Disposal of Fixed and Intangible Assets	2	8 653	16 646	6 470	-	-	-	-	-	-	-
Other Losses	2	15 820	5 691	-	-	-	-	-	-	-	-
Total Expenditure		**596 496**	**554 983**	**588 973**	**540 679**	-	-	**175 035**	**551 117**	**575 859**	**601 279**
Surplus/(Deficit)		**(176 473)**	**(86 397)**	**(107 774)**	**37 663**	-	-	**115 398**	**(593)**	**(2 023)**	**2 080**
Transfers and subsidies - capital (monetary allocations)	6	36 386	15 000	92 573	68 878	-	-	-	85 247	83 603	86 825
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		**(140 088)**	**(71 397)**	**(15 201)**	**106 541**	-	-	**115 398**	**84 654**	**81 581**	**88 905**
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		**(140 088)**	**(71 397)**	**(15 201)**	**106 541**	-	-	**115 398**	**84 654**	**81 581**	**88 905**
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		**(140 088)**	**(71 397)**	**(15 201)**	**106 541**	-	-	**115 398**	**84 654**	**81 581**	**88 905**
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	**(140 088)**	**(71 397)**	**(15 201)**	**106 541**	-	-	**115 398**	**84 654**	**81 581**	**88 905**

Table A5 Budgeted Capital Expenditure by vote, standard classification and funding sources.

Vote Description	####	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 6 - PUBLIC SAFETY		-	-	-	-	-	-	-	-	-	-
Vote 7 - SPORTS & RECREATION		-	-	-	-	-	-	-	-	-	-
Vote 8 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 9 - WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 10 - Sewer Reticulation		-	-	-	-	-	-	-	-	-	-
Vote 11 - WATER		-	-	-	-	-	-	-	-	-	-
Vote 12 - ELECTRICITY		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		-	-	611	(0)	-	-	-	-	8 844	9 244
Vote 2 - Budget and Treasury		3 846	678	1 381	-	-	-	-			
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	1 000	-	-
Vote 4 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY & SOCIAL SERVICES		(1 225)	-	685	-	-	-	-	-	-	-
Vote 6 - PUBLIC SAFETY		-	9 384	0	2 500	-	-	-	-	-	-
Vote 7 - SPORTS & RECREATION		5 058	-	-	-	-	-	-	-	-	-
Vote 8 - TECHNICAL SERVICES		21 139	8 256	337	-	-	-	-	10 877	11 000	11 000
Vote 9 - WASTE MANAGEMENT		-	-	4 831	-	-	-	-	-	-	-
Vote 10 - Sewer Reticulation		-	-	-	-	-	-	-	-	-	-
Vote 11 - WATER		56 039	11 946	(0)	48 935	-	-	-	62 979	49 453	51 814
Vote 12 - ELECTRICITY		1 300	6 391	0	800	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		86 157	36 655	7 844	52 235	-	-	-	74 856	69 297	72 058
Total Capital Expenditure - Vote		86 157	36 655	7 844	52 235	-	-	-	74 856	69 297	72 058
Capital Expenditure - Functional											
Governance and administration		724	678	2 328	(0)	-	-	-	1 000	8 844	9 244
Executive and council		-	-	611	(0)	-	-	-	-	8 844	9 244
Finance and administration		724	678	1 718	-	-	-	-	1 000	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		3 833	-	685	-	-	-	-	-	-	-
Community and social services		(1 225)	-	685	-	-	-	-	-	-	-
Sport and recreation		5 058	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		24 261	17 764	(0)	12 000	-	-	5 453	14 377	11 000	11 000
Planning and development		-	8 256	(0)	-	-	-	-	-	-	-
Road transport		24 261	9 508	(0)	12 000	-	-	5 453	14 377	11 000	11 000
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		134 790	17 751	4 831	61 178	-	-	23 550	74 370	63 759	67 081
Energy sources		1 300	6 391	0	800	-	-	-	2 300	2 306	2 306
Water management		56 039	11 946	(0)	48 935	-	-	19 697	65 979	53 453	55 814
Waste water management		77 452	(587)	(0)	11 443	-	-	3 854	6 091	8 000	8 961
Waste management		-	-	4 831	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	163 609	36 194	7 844	73 178	-	-	29 003	89 747	83 603	87 325
Funded by:											
National Government		140 231	11 823	4 831	68 878	-	-	28 285	85 247	83 603	87 325
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	140 231	11 823	4 831	68 878	-	-	28 285	85 247	83 603	87 325
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		25 561	13 853	1 930	4 300	-	-	719	4 500	-	-
Total Capital Funding	7	165 791	25 677	6 761	73 178	-	-	29 003	89 747	83 603	87 325

PART 2 – SUPPORTING DOCUMENTATION

6. OVERVIEW OF BUDGET PROCESS

Political Oversight of Budget Process

The concept of political oversight over the budget process is an important one and it is the key to ensuring that strategy informs budget.

The political oversight role of the Mayor is contained in Section 53 (1)(a) and (b) of the Municipal Finance Management Act (MFMA). It requires that the Mayor must provide political guidance over the budget process and the priorities that guide the preparation of the budget. It further requires that the Mayor co-ordinate the revision of the IDP and the preparation of the annual budget and to determine how the IDP is to be taken into account for the purpose of the budget.

The demands on the Municipality to address service delivery backlogs and to improve service delivery to all of its citizens, within current financial resources, are challenging. Political oversight of the budget process is therefore essential to ensure that the priorities of the municipality are addressed through budget allocations.

Schedule of Key Deadlines Relating of Budget Process

One of the objectives of the budget timetable is to ensure the development of IDP and the budget and also to ensure that a funded budget is tabled for consideration and approval.

Process for Consultations with Stakeholder Groups and Outcomes [MFMA 21(1)(b)]

Section 22 of the MFMA requires that after tabling of the annual budget in Council, the municipality must make public the final budget and also invite the local communities to submit representations thereon. Accordingly the tabling of this Draft budget in the Council for 2026/27 will be followed b the following activities:

- The summarised draft budget and consultation meetings will be published in Local News Paper
- Draft budget will be submitted to Provincial and National Treasuries as well as Department of Provincial and Local Government
- Public meetings will be held in various wards
- The Draft budgeted document will be generally distributed to libraries and other municipal offices to allow the wide invitation of comments ad representations to the Draft budget.

The public budget road show meetings will take place . The schedule of budget road shows will be publicised in the local newspaper, website, and libraries as well as in the municipal notice boards.

7. OVERVIEW ALIGNEMENT OF IDP AND BUDGET WITH, MONITORING AND IMPLEMENTATION THROUGHOUT SERVICE DELIVERY BUDGET IMPLEMENTATION PLANS

PURPOSE

This document presents an Integrated Development Plan (IDP) for Dr Pixley Ka Isaka Seme Local Municipality. The IDP is prepared in compliance with the requirements of Chapter 5, particularly Section 25 of Local Government Municipal Systems Act (32 of 2000), which obliges a municipal council to adopt a single, all inclusive and strategic plan for the development of the municipality, within a prescribed period after the start of its elected term. It outlines a development agenda for the municipality for the next five years.

OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP

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

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

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

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

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

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP.

The municipal development objectives are mainly orientated and aligned to National Key Performance Areas which are the following:-

- Institutional development and transformation
- Basic Service Delivery
- Good Governance and Public Participation
- Local Economic Development and Innovation
- Financial Viability

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

- Enhancement of economic development and Innovation
- Improvement of Revenue collection
- Eradication of backlogs - Water, Sanitation & Electricity
- Land for Human Settlements
- Waste Management
- Maintenance of Infrastructure
- Improvement of the Road Infrastructure
- Improving the provision of healthcare and education

IDP AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN.

The Dr Pixley Ka Isaka Seme's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan.

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2026/27 MTREF, based on the approved 2028/29 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2026/27 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2026/27 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

The 2026/27 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure

COMMUNITY CONSULTATION

The 2026/27 Draft MTREF will be published on the municipality's website, and hard copies will be made available at reception, municipal notice boards and various libraries for consultation.
All documents in the appropriate format (electronic and printed) are provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

8. MEASURABLE PERFORMANCE OBJECTIVES

Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework.

Free and Subsidised Basic Services

Municipalities play central role in supporting economic development and alleviating poverty. The provision of basic services is a critical input to social well-being and economic activity. Dr Pixley Ka Isaka Seme Municipality comprises of rural areas as well as wide spread of income groups. Due to variation in living environment, the municipal area has a number of households who currently do not have access to all services.

The basic social package is an affirmation of the Municipality's commitment to push back the frontiers of poverty by providing a social welfare to those residents who cannot afford to pay, because of adverse social and economic realities. The free basic services will be provided only to those who cannot afford that is only the registered indigents.

Details of initiatives carried out by Dr Pixley Ka Isaka Seme Council in this regard are detailed below:

Service	Social Package
Assessment Rates	All residential property owners are exempt from paying rates on the first R15 000 of the property value. All rates levied on properties of which the municipal value is less than R48 000. Indigent residents will receive 100 percent rebates on rates.
Electricity	The first 50kwh of electricity is free to all residents qualified as indigents in terms of the policy
Water	The first 6 kl of water is free to all residents qualified as indigents in terms of the policy. (However it is recommended to supply free water to only those who can't afford)

9. OVERVIEW OF BUDGET RELATED POLICIES OVERVIEW AND AMENDMENTS

The Municipality's budget is guided and governed by relevant legislation and budget related policies. The main purpose of budget related policies is to guide the budget process and inform the projections of the medium-term budget.

The following budget related policies, which have been approved by Council or currently under review, are currently in force to ensure an informed smooth budgetary process and financial management of the Municipality in line with the Municipal Finance Management Act, other relevant legislation and Accounting Standards.

10. OVERVIEW OF BUDGET ASSUMPTIONS

General Inflation Outlooks and its Impact

Dr Pixley Ka Isaka Seme Municipality, like and any other municipality, is still subjected to the impact from the global crisis as well as related ripple effects from national economy. The recent hikes in, to mention a few, electricity bulk purchases, fuel, interest rates and inability to feel critical positions in critical industries could not be interpreted in isolation of Dr Pixley Ka Isaka Seme Municipality and did therefore impact negatively on the 2024/25 budget and it will still have a huge effect on the 2025/26 medium term budget.
All budget related policies are being submitted with the Draft budget for Council review and approval.

11. OVERVIEW OF FUNDING THE BUDGET
(Including fiscal overview and sources of funding)

Funding of the 2026/27 Medium-Term Budget

The operating budget of Dr Pixley Ka Isaka Seme Municipality for the 2026/27 financial year is funded from rates, tariffs, sundry charges and grants and subsidies.

Increases in the individual tariffs applicable to the above services are detailed in the tariff of schedule attached hereto, together with other proposed sundry tariffs.
The following issues were the challenges in the appropriation of funds when preparing the 2026/27 final budget:

- Initiatives to improve the current collection rate

12. EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

Grants and subsidies from National and Provincial governments, as reported in the 2018 Division of Revenue Act and reflected in SA 19, have been included the 2026/27 budget and each allocation will utilised for the purpose as described below.

National Grant Allocations

Equitable Share

The equitable share is an unconditional grant and as such can be regarded as general revenue, however, it is a matter of co-operative governance that municipalities should prioritise its expenditure budget towards poor households and national priorities like free basic services.

Municipal Infrastructural Grant (MIG)

The Municipal Infrastructural Grant is a conditional grant which gives effect to national objectives to:

- Expand the delivery of basic services to all households, including the delivery of free basic services to poor households and other poverty alleviating objectives.
- Stimulate local economic development and job creation over the medium term.

Finance Management Grant

The Finance Management Grant is a capacity building grant provided by National Treasury to assist municipalities in building management planning, technical and financial management skills and capacity for effective service delivery.

It will be utilised for the upgrading of skills and capacity of Dr Pixley Ka Isaka Seme Finance officials for workshops and training programmes, funding financial programmes such as mSCOA with a view to capacitate financial systems, as well as for the remuneration of the interns currently employed by the municipality and cover costs of their training and its facilities. There are currently 4 interns employed as per National Treasury guide.

Table SA 18 - Transfers and grant receipts (refer to schedule)

MP304 Pixley Ka Seme (MP) - Supporting Table SA18 Transfers and grant receipts

Description	####	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		151 736	158 396	136 885	178 878	–	133 797	182 854	187 950	196 088
Expanded Public Works Programme Integrated Grant		1 874	–	1 931	2 206	–	1 544	–	–	3
Infrastructure Skills Development Grant		562	(0)	384	–	–	331	–	–	–
Municipal Disaster Relief Grant		–	700	(700)	–	–	–	–	–	–
Local Government Financial Management Grant		2 450	–	2 400	2 400	–	2 400	5 000	5 200	5 400
Municipal Infrastructure Grant		–	–	(34 440)	1 576	–	–	1 594	1 753	1 804
Equitable Share		146 850	157 696	167 330	172 696	–	129 522	176 260	180 997	188 881
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	**151 736**	**158 396**	**136 885**	**178 878**	**-**	**133 797**	**182 854**	**187 950**	**196 088**
Capital Transfers and Grants										
National Government:		(25 745)	(15 291)	103 173	68 878	–	37 903	63 130	86 053	88 826
Municipal Infrastructure Grant		(1 898)	(872)	34 131	29 943	–	10 559	62 158	68 365	70 338
Integrated National Electrification Programme Grant		–	–	15 436	–	–	3 409	972	17 688	18 488
Water Services Infrastructure Grant		(23 846)	(14 419)	53 606	38 935	–	23 935	–	–	–
Provincial Government:		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	**(25 745)**	**(15 291)**	**103 173**	**68 878**	**-**	**37 903**	**63 130**	**86 053**	**88 826**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	125 991	143 105	240 058	247 756	-	171 699	245 984	274 003	284 914

13. ALLOCATIONS AND GRANTS MADE BY DR PIXLEY KA ISAKA SEME MUNICIPALITY

None. Please refer to SA 21 of Schedule A.

MP304 Pixley Ka Seme (MP) - Supporting Table SA21 Transfers and grants made by the municipality

Description	####	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited	Audited	Audited	Original Budget	Adjusted	Full Year	Pre-audit	Budget Year	Budget Year +1	Budget Year +2
Monetary Transfers to other municipalities											
District Municipalities	1										
Total Monetary Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Monetary Transfers to Entities/Other External Mechanisms											
Municipal Entities	2										
Total Monetary Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Monetary Transfers to other Organs of State											
Departmental Agencies and Accounts	3										
Provincial Government											
Total Monetary Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Monetary Transfers to Organisations											
Foreign Government and International Organisations											
Higher Educational Institutions											
Non-Profit Institutions											
Private Enterprises											
Public Corporations											
Total Monetary Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
Monetary Transfers to Groups of Individuals											
Households											
Total Monetary Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL Monetary TRANSFERS AND GRANTS	6	-	-	-	-	-	-	-	-	-	-
In-Kind Transfers to other municipalities											
District Municipalities	1										
Total In-Kind Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
In-Kind Transfers to Entities/Other External Mechanisms											
Municipal Entities	2										
Total In-Kind Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
In-Kind Transfers to other Organs of State											
Departmental Agencies and Accounts	3										
Provincial Government											
Total In-Kind Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
In-Kind Grants to Organisations											
Foreign Government and International Organisations	4										
Higher Educational Institutions											
Non-Profit Institutions											
Private Enterprises											
Public Corporations											
Total In-Kind Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Groups of Individuals											
Households	5										
Total In-Kind Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL In-Kind TRANSFERS AND GRANTS		-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	-	-	-	-	-	-	-	-	-	-

14. COUNCILLOR ALLOWANCES AND EMPLOYEE BENEFITS

Please refer to SA22 of Schedule A

MP304 Pixley Ka Seme (MP) - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Allowances and Service Related Benefits										
Basic Salary		7 882	8 155	8 492	8 918	–	–	9 303	9 610	9 915
Cell phone Allowance		816	1 117	987	993	–	–	993	1 026	1 060
Housing Allowance		–	–	–	–	–	–	–	–	–
In-kind Benefits		–	–	–	–	–	–	–	–	–
Market Related Non-pensionable Allowance		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		–	–	–	–	–	–	–	–	–
Office-bearer Allowance		–	–	–	–	–	–	–	–	–
Out of pocket Expenses		–	–	–	–	–	–	–	–	–
Traveling Allowance		108	170	194	206	–	–	206	213	220
Use of Personal Facilities		–	–	–	–	–	–	–	–	–
Total Allowances and Service Related Benefits		8 806	9 443	9 673	10 117	–	–	10 502	10 849	11 194
Social Contributions										
Medical Aid Benefits		44	49	54	59	–	–	59	61	63
Pension Fund Contributions		962	990	1 069	1 142	–	–	1 142	1 180	1 219
Total Social Contributions		1 006	1 039	1 123	1 201	–	–	1 201	1 240	1 281
Total Councillors		9 812	10 482	10 796	11 318	–	–	11 703	12 089	12 476
% increase	4		6.8%	3.0%	4.8%	(100.0%)	–	–	3.3%	3.2%
Senior Managers of the Municipality	2									
Salaries and Allowances										
Basic Salary		2 640	3 643	3 435	4 209	–	–	5 245	5 082	5 245
Bonuses		–	–	–	–	–	–	–	–	–
Allowance										
Accommodation, Travel and Incidental		–	–	–	–	–	–	–	–	–
Cellular and Telephone	3	62	87	75	90	–	–	101	97	101
Housing Benefits	3	67	200	200	200	–	–	223	216	223
Non-pensionable		173	199	145	222	–	–	248	241	248
Travel or Motor Vehicle	3	489	600	520	500	–	–	558	541	558
Voluntary Work		–	–	–	–	–	–	–	–	–
Total Allowance		790	1 086	940	1 012	–	–	1 131	1 096	1 131
Service Related Benefits										
Acting	3	62	2	18	–	–	–	–	–	–
Bonus	3	–	–	–	–	–	–	–	–	–
Danger Allowance	3	–	–	–	–	–	–	–	–	–
Entertainment	3	–	–	–	–	–	–	–	–	–
Fire Brigade		–	–	–	–	–	–	–	–	–
In-kind Benefits	3	–	–	–	–	–	–	–	–	–
Leave Pay	3	296	–	185	–	–	–	–	–	–
Lifeguard/Duty Squads		–	–	–	–	–	–	–	–	–
Long Service Award		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Scarcity	3	9	–	–	–	–	–	–	–	–
Standby Allowance	3	–	–	–	–	–	–	–	–	–
Tools Allowance	3	–	–	–	–	–	–	–	–	–
Uniform/Special/Protective Clothing	3	–	–	–	–	–	–	–	–	–
Leave gratuity		–	–	–	–	–	–	–	–	–
Long Term Service Award		–	–	–	–	–	–	–	–	–
Total Service Related Benefits		367	2	203	–	–	–	–	–	–
Total Salaries and Allowances		3 797	4 732	4 579	5 221	–	–	6 376	6 178	6 376
Social Contributions										
Bargaining Council		0	1	0	1	–	–	1	1	1
Group Life Insurance		14	10	13	13	–	–	15	15	15
Medical		103	241	249	262	–	–	292	283	292
Pension		359	443	377	377	–	–	421	408	421
Unemployment Insurance		8	10	9	8	–	–	10	9	10
Total Social Contributions		485	705	648	662	–	–	739	716	739
Post-retirement Benefit	6									
Medical		–	–	–	–	–	–	–	–	–
Other Benefits		–	–	–	–	–	–	–	–	–
Pension		(2 930)	(6 260)	–	–	–	–	–	–	–
Total Post-retirement Benefit		(2 930)	(6 260)	–	–	–	–	–	–	–
Costs Capitalised to PPE		–	–	39	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		1 352	(823)	5 265	5 883	–	–	7 115	6 894	7 115
% increase	4		(160.9%)	(739.3%)	11.7%	(100.0%)	–	–	(3.1%)	3.2%
Other Municipal Staff										
Salaries and Allowances										
Basic Salary		58 504	62 305	60 763	85 791	–	–	76 355	82 125	84 753
Bonuses		4 615	4 792	4 588	5 109	–	–	5 705	5 528	5 705
Allowance										
Accommodation, Travel and Incidental		–	–	–	–	–	–	–	–	–
Cellular and Telephone	3	156	156	153	166	–	–	185	179	185
Housing Benefits	3	290	339	373	407	–	–	455	441	455
Non-pensionable		–	–	216	–	–	–	–	–	–
Travel or Motor Vehicle	3	2 178	2 376	2 399	3 060	–	–	3 417	3 311	3 417
Voluntary Work		–	–	–	–	–	–	–	–	–
Total Allowance		2 624	2 871	3 142	3 633	–	–	4 057	3 931	4 057
Service Related Benefits										
Acting	3	1 228	1 169	1 610	–	–	–	84	81	84
Bonus	3	–	–	–	–	–	–	–	–	–
Danger Allowance	3	–	–	–	–	–	–	–	–	–
Entertainment	3	–	–	–	–	–	–	–	–	–
Fire Brigade		–	–	–	–	–	–	–	–	–
In-kind Benefits	3	–	–	–	–	–	–	–	–	–
Leave Pay	3	–	–	–	–	–	–	–	–	–

Lifeguard/Duty Squads		–	–	–	–	–	–	–	–	–
Long Service Award		–	–	–	–	–	–	–	–	–
Overtime		8 103	7 337	5 992	–	–	–	5 705	5 528	5 705
Scarcity	3	48	48	48	–	–	–	–	–	–
Standby Allowance	3	4 099	3 347	3 259	–	–	–	3 040	2 946	3 040
Tools Allowance	3	–	–	–	–	–	–	–	–	–
Uniform/Special/Protective Clothing	3	–	–	–	–	–	–	–	–	–
Leave gratuity		–	–	–	–	–	–	729	706	729
Long Term Service Award		–	–	–	–	–	–	–	–	–
Total Service Related Benefits		13 477	11 901	10 909	–	–	–	9 558	9 261	9 558
Total Salaries and Allowances		79 222	81 858	79 402	94 533	–	–	95 674	100 846	104 073
Social Contributions										
Bargaining Council		32	33	33	34	–	–	38	37	38
Group Life Insurance		851	884	884	945	–	–	1 055	1 023	1 055
Medical		7 431	7 426	7 470	6 492	–	–	7 250	7 026	7 250
Pension		11 383	11 877	11 788	13 845	–	–	15 460	14 981	15 460
Unemployment Insurance		514	503	483	496	–	–	554	537	554
Total Social Contributions		20 211	20 724	20 657	21 813	–	–	24 358	23 603	24 358
Post-retirement Benefit	6									
Medical		(488)	(470)	(658)	–	–	–	–	–	–
Other Benefits		–	–	–	–	–	–	–	–	–
Pension		–	–	–	–	–	–	–	–	–
Total Post-retirement Benefit		(488)	(470)	(658)	–	–	–	–	–	–
Costs Capitalised to PPE		–	–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff		98 945	102 112	99 401	116 345	–	–	120 032	124 449	128 431
% increase	4		3.2%	(2.7%)	17.0%	(100.0%)	–	–	3.7%	3.2%
Total Parent Municipality		110 109	111 771	115 461	133 546	–	–	138 849	143 431	148 021

15. MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOWS

Please refer to SA25 to SA30 of Schedule A

MP304 Pixley Ka Seme (MP) - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	####	Budget Year 2026/27												Medium Term Revenue and Expend Framework		
R thousand		July	August	Sept	October	November	December	January	February	March	April	May	June	Budget Year	Budget Year +1	Budge
Revenue																
Exchange Revenue																
Service charges - Electricity		9 764	9 764	9 764	9 764	9 764	9 764	9 764	9 764	9 764	9 764	9 764	9 764	117 162	125 113	
Service charges - Water		3 418	3 418	3 418	3 418	3 418	3 418	3 418	3 418	3 418	3 418	3 418	3 418	41 014	42 362	
Service charges - Waste Water Management		1 942	1 942	1 942	1 942	1 942	1 942	1 942	1 942	1 942	1 942	1 942	1 942	23 301	24 057	
Service charges - Waste Management		1 245	1 245	1 245	1 245	1 245	1 245	1 245	1 245	1 245	1 245	1 245	1 245	14 934	15 427	
Sale of Goods and Rendering of Services		63	63	63	63	63	63	63	63	63	63	63	63	753	778	
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Interest earned from Receivables		4 020	4 020	4 020	4 020	4 020	4 020	4 020	4 020	4 020	4 020	4 020	4 020	48 234	48 739	
Interest earned from Current and Non Current Assets		335	335	86	330	335	335	335	335	330	335	330	335	3 775	3 899	
Dividends		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Rent on Land		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Rental from Fixed Assets		234	234	234	234	234	234	234	234	234	234	234	234	2 805	2 898	
Licence and permits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Special rating levies		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Construction Contract Revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Development Charges		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Operational Revenue		415	415	415	415	415	415	415	415	415	415	415	415	4 984	5 148	
Non-Exchange Revenue																
Property rates		6 860	6 860	6 860	6 860	6 860	6 860	6 860	6 860	6 860	6 860	6 860	6 860	82 320	85 036	
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Fines, penalties and forfeits		41	41	41	41	41	41	41	41	41	41	41	41	486	502	
Licences or permits		1	1	1	1	1	1	1	1	1	1	1	1	11	11	
Transfer and subsidies - Operational		34 751	13 447	13 342	13 447	13 447	13 342	13 447	13 447	13 447	13 447	13 447	13 247	162 257	165 350	
Interest		2 143	2 143	2 143	2 142	2 143	2 143	2 143	2 143	2 143	2 143	2 143	2 143	25 713	26 645	
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Operational Revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Gains on disposal of Fixed and Intangible Assets		63	247	247	247	247	247	247	247	247	247	247	247	2 775	2 867	
Other Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Total Revenue (excluding capital transfers and contributions)		65 293	44 172	43 818	44 172	44 172	44 067	44 172	44 172	44 172	44 172	44 172	43 972	550 524	573 836	
Expenditure																
Employee related costs		10 596	10 596	10 596	10 596	10 596	10 596	10 596	10 596	10 596	10 596	10 596	10 596	127 147	131 342	
Remuneration of councillors		975	975	975	975	975	975	975	975	975	975	975	975	11 703	12 086	
Bulk purchases - electricity		9 124	9 124	9 124	9 124	9 124	9 124	9 124	9 124	9 124	9 124	9 124	9 124	109 491	115 356	
Inventory consumed		2 533	2 533	2 533	2 533	2 533	2 533	2 533	2 533	2 533	2 533	2 533	2 533	30 397	31 400	
Debt impairment		8 569	8 569	8 569	8 569	8 569	8 569	8 569	8 569	8 569	8 569	8 569	8 569	102 827	106 221	
Depreciation, amortisation and impairment		6 597	6 597	6 597	6 597	6 597	6 597	6 597	6 597	6 597	6 597	6 597	6 597	79 169	82 064	
Interest, Dividends and Rent on Land		756	749	749	749	749	749	749	749	749	749	749	749	9 000	9 297	
Contracted services		3 302	3 302	3 302	3 302	3 302	3 302	3 302	3 302	3 302	3 302	3 302	3 302	39 623	40 951	
Transfers and subsidies		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Irrecoverable debts written off		458	458	458	458	458	458	458	458	458	458	458	458	5 495	5 677	
Operational costs		3 022	3 022	3 022	3 022	3 022	3 022	3 022	3 022	3 022	3 022	3 022	3 022	36 263	37 462	
Disposal of Fixed and Intangible Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Other Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Total Expenditure		45 933	45 926	45 926	45 926	45 926	45 926	45 926	45 926	45 926	45 926	45 926	45 926	551 117	575 859	
Surplus/(Deficit)		19 360	(1 754)	(2 108)	(1 754)	(1 754)	(1 859)	(1 754)	(1 754)	(1 754)	(1 754)	(1 754)	(1 954)	(593)	(2 023)	
Transfers and subsidies - capital (monetary allocations)		6 506	6 506	15 678	6 506	6 506	4 513	6 506	6 506	6 506	6 506	6 506	6 506	85 247	83 603	
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Surplus/(Deficit) after capital transfers & contributions		25 866	4 752	13 570	4 752	4 752	2 654	4 752	4 752	4 752	4 752	4 752	4 552	84 654	81 581	
Income Tax		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Surplus/(Deficit) after income tax		25 866	4 752	13 570	4 752	4 752	2 654	4 752	4 752	4 752	4 752	4 752	4 552	84 654	81 581	
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Surplus/(Deficit) attributable to municipality		25 866	4 752	13 570	4 752	4 752	2 654	4 752	4 752	4 752	4 752	4 752	4 552	84 654	81 581	
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Surplus/(Deficit) for the year	1	25 866	4 752	13 570	4 752	4 752	2 654	4 752	4 752	4 752	4 752	4 752	4 552	84 654	81 581	

Please refer to SA26 of Schedule A

MP304 Pixley Ka Seme (MP) - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	####	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue by Vote																
Vote 1 - Executive and Council		1 619	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	21 449	25 513	26 532
Vote 2 - Budget and Treasury		11 355	11 355	11 106	11 355	11 355	11 355	11 355	11 355	11 355	11 355	11 355	11 155	135 814	142 007	146 771
Vote 3 - CORPORATE SERVICES		635	635	635	635	635	635	635	635	635	636	635	635	7 615	11 677	12 186
Vote 4 - PLANNING AND DEVELOPMENT		510	510	510	510	510	510	510	510	510	510	510	510	6 124	11 711	12 220
Vote 5 - COMMUNITY & SOCIAL SERVICES		1 677	1 677	1 677	1 677	1 677	1 677	1 677	1 677	1 677	1 677	1 677	1 677	20 123	23 666	24 694
Vote 6 - PUBLIC SAFETY		636	635	635	636	635	636	635	635	635	635	635	635	7 615	11 677	12 186
Vote 7 - SPORTS & RECREATION		1 015	1 015	1 015	1 015	1 015	1 015	1 015	1 015	1 015	1 015	1 015	1 015	12 186	11 677	12 186
Vote 8 - TECHNICAL SERVICES		5 062	5 062	2 965	5 062	5 062	2 965	5 062	5 062	5 062	5 062	5 062	5 062	56 552	58 750	60 797
Vote 9 - WASTE MANAGEMENT		2 336	2 370	2 370	2 370	2 370	2 370	2 370	2 370	2 370	2 370	2 370	2 370	28 408	30 970	32 096
Vote 10 - Sewer Reticulation		21 812	474	474	474	474	474	474	474	474	474	474	474	27 024	5 809	6 093
Vote 11 - WATER		9 228	9 228	20 393	9 228	9 228	9 228	9 228	9 228	9 228	9 228	9 228	9 228	121 906	113 642	118 021
Vote 12 - ELECTRICITY		12 282	12 282	12 282	12 282	12 282	12 282	12 282	12 282	12 282	12 282	12 282	12 282	147 380	166 732	181 290
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		**68 167**	**47 046**	**55 864**	**47 046**	**47 046**	**44 949**	**47 046**	**47 046**	**47 046**	**47 046**	**47 046**	**46 846**	**592 198**	**613 862**	**645 072**
Expenditure by Vote to be appropriated																
Vote 1 - Executive and Council		2 253	2 253	2 253	2 253	2 253	2 253	2 253	2 253	2 253	2 253	2 253	2 253	27 038	26 949	27 811
Vote 2 - Budget and Treasury		7 122	7 115	7 115	7 115	7 115	7 115	7 115	7 115	7 115	7 115	7 115	7 115	85 390	92 555	95 535
Vote 3 - CORPORATE SERVICES		2 555	2 555	2 555	2 555	2 555	2 555	2 555	2 555	2 555	2 555	2 555	2 555	30 655	30 063	30 655
Vote 4 - PLANNING AND DEVELOPMENT		375	375	375	375	375	375	375	375	375	375	375	375	4 495	19 721	4 495
Vote 5 - COMMUNITY & SOCIAL SERVICES		1 106	1 106	1 106	1 106	1 106	1 106	1 106	1 106	1 106	1 106	1 106	1 106	13 277	14 055	14 504
Vote 6 - PUBLIC SAFETY		2 948	2 948	2 948	2 948	2 948	2 948	2 948	2 948	2 948	2 948	2 948	2 948	35 372	18 511	35 372
Vote 7 - SPORTS & RECREATION		392	392	392	392	392	392	392	392	392	392	392	392	4 702	4 557	4 702
Vote 8 - TECHNICAL SERVICES		1 194	1 194	1 194	1 194	1 194	1 194	1 194	1 194	1 194	1 194	1 194	1 194	14 325	13 886	14 363
Vote 9 - WASTE MANAGEMENT		4 638	4 638	4 638	4 638	4 638	4 638	4 638	4 638	4 638	4 638	4 638	4 638	55 659	58 094	60 311
Vote 10 - Sewer Reticulation		596	596	596	596	596	596	596	596	596	596	596	596	7 147	6 925	7 147
Vote 11 - WATER		7 631	7 631	7 631	7 631	7 631	7 631	7 631	7 631	7 631	7 631	7 631	7 631	91 568	101 032	104 274
Vote 12 - ELECTRICITY		12 126	12 126	12 126	12 126	12 126	12 126	12 126	12 126	12 126	12 126	12 126	12 126	145 509	154 257	166 128
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		**42 934**	**42 927**	**42 927**	**42 927**	**42 927**	**42 927**	**42 927**	**42 927**	**42 927**	**42 927**	**42 927**	**42 927**	**515 137**	**540 994**	**565 299**
Surplus/(Deficit) before assoc.		**25 233**	**4 119**	**12 937**	**4 119**	**4 119**	**2 021**	**4 119**	**4 119**	**4 119**	**4 119**	**4 119**	**3 919**	**77 061**	**72 868**	**79 773**
Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	**25 233**	**4 119**	**12 937**	**4 119**	**4 119**	**2 021**	**4 119**	**4 119**	**4 119**	**4 119**	**4 119**	**3 919**	**77 061**	**72 868**	**79 773**

Please refer to SA27 of Schedule A

MP304 Pixley Ka Seme (MP) - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	####	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue - Functional																
Governance and administration		14 640	14 824	14 574	14 824	14 824	14 824	14 824	14 824	14 824	14 824	14 824	14 624	177 252	191 057	197 863
Executive and council		1 619	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	1 803	21 449	25 513	26 532
Finance and administration		13 021	13 021	12 772	13 021	13 021	13 021	13 021	13 021	13 021	13 021	13 021	12 821	155 803	165 544	171 330
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		3 327	3 327	3 327	3 327	3 327	3 327	3 327	3 327	3 327	3 327	3 327	3 327	39 925	47 021	49 065
Community and social services		1 677	1 677	1 677	1 677	1 677	1 677	1 677	1 677	1 677	1 677	1 677	1 677	20 123	23 666	24 694
Sport and recreation		1 015	1 015	1 015	1 015	1 015	1 015	1 015	1 015	1 015	1 015	1 015	1 015	12 186	11 677	12 186
Public safety		636	635	636	635	635	635	635	635	635	635	635	635	7 615	11 677	12 186
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		5 050	5 050	2 953	5 050	5 050	2 953	5 050	5 050	5 050	5 050	5 050	5 050	56 408	64 452	66 749
Planning and development		4 034	4 034	1 936	4 034	4 034	1 936	4 034	4 034	4 034	4 034	4 034	4 034	44 209	52 763	54 551
Road transport		1 017	1 017	1 017	1 017	1 017	1 017	1 017	1 017	1 017	1 017	1 017	1 017	12 198	11 689	12 198
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		48 781	27 476	38 641	27 476	27 476	27 476	27 476	27 476	27 476	27 476	27 476	27 476	362 187	354 909	376 507
Energy sources		12 282	12 282	12 282	12 282	12 282	12 282	12 282	12 282	12 282	12 282	12 282	12 282	147 380	166 732	181 290
Water management		9 228	9 228	20 393	9 228	9 228	9 228	9 228	9 228	9 228	9 228	9 228	9 228	121 906	113 642	118 021
Waste water management		3 113	3 113	3 113	3 113	3 113	3 113	3 113	3 113	3 113	3 113	3 113	3 113	37 361	37 616	38 900
Waste management		24 157	2 853	2 853	2 853	2 853	2 853	2 853	2 853	2 853	2 853	2 853	2 853	55 539	36 919	38 296
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional		71 799	50 677	59 496	50 677	50 677	48 580	50 677	50 677	50 677	50 677	50 677	50 477	635 771	657 439	690 184
Total Revenue - Functional		71 799	50 677	59 496	50 677	50 677	48 580	50 677	50 677	50 677	50 677	50 677	50 477	635 771	657 439	690 184
Expenditure - Functional																
Governance and administration		12 855	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	12 848	154 177	160 308	165 134
Executive and council		2 253	2 253	2 253	2 253	2 253	2 253	2 253	2 253	2 253	2 253	2 253	2 253	27 038	26 949	27 811
Finance and administration		10 601	10 594	10 594	10 594	10 594	10 594	10 594	10 594	10 594	10 594	10 594	10 594	127 139	133 359	137 323
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		4 446	4 446	4 446	4 446	4 446	4 446	4 446	4 446	4 446	4 446	4 446	4 446	53 352	37 522	54 579
Community and social services		1 106	1 106	1 106	1 106	1 106	1 106	1 106	1 106	1 106	1 106	1 106	1 106	13 277	14 058	14 504
Sport and recreation		392	392	392	392	392	392	392	392	392	392	392	392	4 702	4 667	4 702
Public safety		2 948	2 948	2 948	2 948	2 948	2 948	2 948	2 948	2 948	2 948	2 948	2 948	35 372	18 811	35 372
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	19 455	34 221	19 455
Planning and development		644	644	644	644	644	644	644	644	644	644	644	644	7 725	22 856	7 725
Road transport		977	977	977	977	977	977	977	977	977	977	977	977	11 730	11 366	11 730
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		27 011	27 011	27 011	27 011	27 011	27 011	27 011	27 011	27 011	27 011	27 011	27 011	324 133	343 807	362 111
Energy sources		12 126	12 126	12 126	12 126	12 126	12 126	12 126	12 126	12 126	12 126	12 126	12 126	145 509	154 257	166 128
Water management		7 631	7 631	7 631	7 631	7 631	7 631	7 631	7 631	7 631	7 631	7 631	7 631	91 568	101 032	104 274
Waste water management		2 021	2 021	2 021	2 021	2 021	2 021	2 021	2 021	2 021	2 021	2 021	2 021	24 251	23 499	24 251
Waste management		5 234	5 234	5 234	5 234	5 234	5 234	5 234	5 234	5 234	5 234	5 234	5 234	62 805	65 019	67 458
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional		45 933	45 926	45 926	45 926	45 926	45 926	45 926	45 926	45 926	45 926	45 926	45 926	551 117	575 858	601 279
Surplus/(Deficit) before assoc.		25 866	4 752	13 570	4 752	4 752	2 654	4 752	4 752	4 752	4 752	4 752	4 552	84 654	81 581	88 905
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–		–	–	–
Surplus/(Deficit)	1	25 866	4 752	13 570	4 752	4 752	2 654	4 752	4 752	4 752	4 752	4 752	4 552	84 654	81 581	88 905

Please refer to SA28 of Schedule A

MP304 Pixley Ka Seme (MP) - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	####	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Multi-year expenditure to be appropriated	1															
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - PUBLIC SAFETY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - SPORTS & RECREATION		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Sewer Reticulation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - WATER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - ELECTRICITY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-	-	-	8 844	9 244
Vote 2 - Budget and Treasury		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		83	83	83	83	83	83	83	83	83	83	83	83	1 000	-	-
Vote 4 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - PUBLIC SAFETY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - PUBLIC SAFETY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - SPORTS & RECREATION		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - TECHNICAL SERVICES		5 444	142	917	142	917	142	917	142	917	142	917	142	10 877	11 000	11 000
Vote 9 - WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Sewer Reticulation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - WATER		19 841	3 626	4 276	3 626	4 276	3 626	4 276	3 626	4 276	3 626	4 276	3 626	62 979	49 453	51 814
Vote 12 - ELECTRICITY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-		-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-		-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	25 369	3 851	5 276	3 851	5 276	3 851	5 276	3 851	5 276	3 851	5 276	3 851	74 856	69 297	72 058
Total Capital Expenditure	2	25 369	3 851	5 276	3 851	5 276	3 851	5 276	3 851	5 276	3 851	5 276	3 851	74 856	69 297	72 058

Please refer to SA29 of Schedule A

MP304 Pixley Ka Seme (MP) - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital Expenditure - Functional	1															
Governance and administration		83	83	83	83	83	83	83	83	83	83	83	83	1 000	8 844	9 244
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	8 844	9 244
Finance and administration		83	83	83	83	83	83	83	83	83	83	83	83	1 000	–	–
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and social services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		5 736	433	1 208	433	1 208	433	1 208	433	1 208	433	1 208	433	14 377	11 000	11 000
Planning and development		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Road transport		5 736	433	1 208	433	1 208	433	1 208	433	1 208	433	1 208	433	14 377	11 000	11 000
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		24 283	3 878	5 255	3 878	5 391	3 878	5 391	3 878	5 391	3 878	5 391	3 878	74 370	63 759	67 081
Energy sources		1 289	8	192	8	192	8	192	8	192	8	192	8	2 300	2 306	2 306
Water management		21 095	3 640	4 609	3 640	4 609	3 640	4 609	3 640	4 609	3 640	4 609	3 640	65 979	53 453	56 814
Waste water management		1 900	230	454	230	589	230	589	230	589	230	589	230	6 091	6 000	6 961
Waste management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	2	30 102	4 395	6 547	4 395	6 682	4 395	6 682	4 395	6 682	4 395	6 682	4 395	89 747	83 603	87 325
Funded by:																
National Government		29 727	4 020	6 172	4 020	6 307	4 020	6 307	4 020	6 307	4 020	6 307	4 020	85 247	83 603	87 325
Provincial Government		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital		29 727	4 020	6 172	4 020	6 307	4 020	6 307	4 020	6 307	4 020	6 307	4 020	85 247	83 603	87 325
Borrowing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds		375	375	375	375	375	375	375	375	375	375	375	375	4 500	–	–
Total Capital Funding		30 102	4 395	6 547	4 395	6 682	4 395	6 682	4 395	6 682	4 395	6 682	4 395	89 747	83 603	87 325

Please refer to SA30 of Schedule A

MP304 Pixley Ka Seme (MP) - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Cash Receipts By Source													1		
Property rates	11 716	11 715	11 716	11 716	11 716	11 716	11 716	11 716	11 716	11 716	11 716	11 716	140 586	129 172	134 958
Service charges - electricity revenue	4 957	4 957	4 957	4 957	4 957	4 957	4 957	4 957	4 957	4 957	4 957	4 957	59 479	224 918	108 726
Service charges - water revenue	8 725	8 725	8 725	8 725	8 725	8 725	8 725	8 725	8 725	8 725	8 725	8 725	104 696	115 045	98 243
Service charges - sanitation revenue	4 568	4 568	4 568	4 568	4 568	4 568	4 568	4 568	4 568	4 568	4 568	4 568	54 820	56 110	57 915
Service charges - refuse revenue	2 747	2 747	2 747	2 747	2 747	2 747	2 747	2 747	2 747	2 747	2 747	2 747	32 966	33 790	34 880
Rental of facilities and equipment	396	395	395	395	395	395	395	395	395	395	395	395	4 741	4 897	5 054
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	3 741	3 741	3 741	3 741	3 741	3 741	3 741	3 741	3 741	3 741	3 741	3 741	44 896	44 895	46 332
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	81	81	81	81	81	81	81	81	81	81	81	81	972	1 004	1 036
Licences and permits	1	1	1	1	1	1	1	1	1	1	1	1	11	13	11
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	31 963	10 658	10 553	10 658	10 658	10 553	10 658	10 658	10 658	10 658	10 658	10 458	148 793	180 376	173 338
Other revenue	945	945	945	945	945	945	945	945	945	945	945	945	11 338	11 720	11 923
Cash Receipts by Source	**69 838**	**48 534**	**48 429**	**48 534**	**48 534**	**48 429**	**48 534**	**48 534**	**48 534**	**48 534**	**48 534**	**48 334**	**603 299**	**801 986**	**672 816**
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	5 460	5 460	3 468	5 460	5 460	3 468	5 460	5 460	5 460	5 460	5 460	5 460	61 541	64 304	67 026
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	296	478	478	478	478	478	478	478	478	478	478	478	5 551	5 734	5 918
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VAT Control (receipts)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Refund - Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Short Term investment (Greater than 90 days) and Long Term	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	**75 593**	**54 472**	**52 375**	**54 472**	**54 472**	**52 375**	**54 472**	**54 472**	**54 472**	**54 472**	**54 472**	**54 272**	**670 391**	**891 995**	**765 461**
Cash Payments by Type															
Employee related costs	10 595	10 595	10 595	10 595	10 595	10 595	10 595	10 595	10 595	10 595	10 595	10 595	127 144	132 149	139 178
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance charges	750	750	750	750	750	750	750	750	750	750	750	750	9 000	9 297	9 595
Bulk purchases - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	120 258	130 119
	2 533	2 533	2 533	2 533	2 533	2 533	2 533	2 533	2 533	2 533	2 533	2 533	30 397	31 400	12 541
Contracted services	3 179	3 179	3 179	3 179	3 179	3 179	3 179	3 179	3 179	3 179	3 179	3 179	38 147	39 423	39 950
Transfers and subsidies - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	3 027	3 027	3 027	3 027	3 027	3 027	3 027	3 027	3 027	3 027	3 027	3 027	36 325	37 442	25 412
Cash Payments by Type	**20 084**	**20 084**	**20 084**	**20 084**	**20 084**	**20 084**	**20 084**	**20 084**	**20 084**	**20 084**	**20 084**	**20 084**	**241 012**	**369 990**	**356 794**
Other Cash Flows/Payments by Type															
Capital assets	7 479	7 479	7 479	7 479	7 479	7 479	7 479	7 479	7 479	7 479	7 479	7 479	89 747	83 603	86 825
Retention (Capital)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	**27 563**	**27 563**	**27 563**	**27 563**	**27 563**	**27 563**	**27 563**	**27 563**	**27 563**	**27 563**	**27 563**	**27 563**	**330 759**	**453 593**	**443 609**
NET INCREASE/(DECREASE) IN CASH HELD	**48 030**	**26 909**	**24 811**	**26 909**	**26 909**	**24 811**	**26 909**	**26 909**	**26 909**	**26 909**	**26 909**	**26 709**	**339 632**	**438 402**	**321 852**
Cash/cash equivalents at the month/year begin:	-	48 030	74 939	99 750	126 659	153 568	178 379	205 288	232 197	259 106	286 014	312 923	-	339 632	778 034
Cash/cash equivalents at the month/year end:	48 030	74 939	99 750	126 659	153 568	178 379	205 288	232 197	259 106	286 014	312 923	339 632	339 632	778 034	[illegible]

16. ANNUAL BUDGET AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN – INTERNAL DEPARTMENTS

The annual budget is as per attached Scheduled A, which is Annexure A and the final SDBIP will be submitted separately.

17. CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

Please refer to SA35 of Schedule A

It is envisaged at this stage that no contract will have budgetary implications beyond a period of three years in the 2026/27 medium-term budget.

MP304 Pixley Ka Seme (MP) - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2026/27 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand		Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Present value
Capital expenditure	1							
Vote 1 - Executive and Council		–	8 844	9 244				
Vote 2 - Budget and Treasury		–	–	–				
Vote 3 - CORPORATE SERVICES		1 000	–	–				
Vote 4 - PLANNING AND DEVELOPMENT		–	–	–				
Vote 5 - COMMUNITY & SOCIAL SERVICES		–	–	–				
Vote 6 - PUBLIC SAFETY		–	–	–				
Vote 7 - SPORTS & RECREATION		–	–	–				
Vote 8 - TECHNICAL SERVICES		10 877	11 000	11 000				
Vote 9 - WASTE MANAGEMENT		–	–	–				
Vote 10 - Sewer Reticulation		–	–	–				
Vote 11 - WATER		62 979	49 453	51 814				
Vote 12 - ELECTRICITY		–	–	–				
Vote 13 -		–	–	–				
Vote 14 -		–	–	–				
Vote 15 -		–	–	–				
List entity summary if applicable								
Total Capital Expenditure		**74 856**	**69 297**	**72 058**	**–**	**–**	**–**	**–**
Future operational costs by vote	2							
Vote 1 - Executive and Council		27 038	26 949	27 811				
Vote 2 - Budget and Treasury		85 390	92 555	95 535				
Vote 3 - CORPORATE SERVICES		30 655	30 053	30 655				
Vote 4 - PLANNING AND DEVELOPMENT		4 495	19 721	4 495				
Vote 5 - COMMUNITY & SOCIAL SERVICES		13 277	14 055	14 504				
Vote 6 - PUBLIC SAFETY		35 372	18 911	35 372				
Vote 7 - SPORTS & RECREATION		4 702	4 557	4 702				
Vote 8 - TECHNICAL SERVICES		14 325	13 886	14 363				
Vote 9 - WASTE MANAGEMENT		55 659	58 094	60 311				
Vote 10 - Sewer Reticulation		7 147	6 925	7 147				
Vote 11 - WATER		91 568	101 032	104 274				
Vote 12 - ELECTRICITY		145 509	154 257	166 128				
Vote 13 -		–	–	–				
Vote 14 -		–	–	–				
Vote 15 -		–	–	–				
List entity summary if applicable								
Total future operational costs		515 137	540 994	565 299	–	–	–	–
Future revenue by source	3							
Exchange Revenue								
Service charges - Electricity								
Service charges - Water								
Service charges - Waste Water Management								
Service charges - Waste Management								
Agency services								
List other revenues sources if applicable								
List entity summary if applicable								
Total future revenue		–	–	–	–	–	–	–
Net Financial Implications		**589 993**	**610 291**	**637 357**	**–**	**–**	**–**	**–**

18. CAPITAL EXPENDITURE DETAILS

Please refer to SA36 of Schedule A

MP304 Pixley Ka Seme (MP) - Supporting Table SA36 Detailed capital budget

R thousand Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Su
Parent municipality								
List all capital projects grouped by Function								
Entities								
List all capital projects grouped by Entity								
Entity A								
Water project A								
Entity B								
Electricity project B								
Entity Capital expenditure								
Total Capital expenditure								

19. DETAILED OPERATING AND CAPITAL BUDGET (TABLE A2)

MP304 Pixley Ka Seme (MP) - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	###	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue - Functional										
Governance and administration		**291 455**	**226 783**	**263 792**	**173 127**	**–**	**–**	**177 252**	**191 057**	**197 863**
Executive and council		149 583	159 446	169 145	23 200	–	–	21 449	25 513	26 532
Finance and administration		141 872	67 336	94 647	149 927	–	–	155 803	165 544	171 330
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**143**	**159**	**147**	**44 859**	**–**	**–**	**39 925**	**47 021**	**49 065**
Community and social services		132	136	147	22 575	–	–	20 123	23 666	24 694
Sport and recreation		12	23	–	11 142	–	–	12 186	11 677	12 186
Public safety		–	–	–	11 142	–	–	7 615	11 677	12 186
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**37 433**	**28 982**	**35 930**	**59 673**	**–**	**–**	**56 408**	**64 452**	**66 749**
Planning and development		29 927	28 689	35 407	42 928	–	–	44 209	52 763	54 551
Road transport		7 506	293	523	16 745	–	–	12 198	11 689	12 198
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**127 377**	**227 663**	**273 902**	**369 561**	**–**	**–**	**362 187**	**354 909**	**376 507**
Energy sources		59 523	140 939	132 620	183 833	–	–	147 380	166 732	181 290
Water management		35 638	49 846	84 781	95 313	–	–	121 906	113 642	118 021
Waste water management		19 047	21 203	41 658	59 054	–	–	37 361	37 616	38 900
Waste management		13 169	15 675	14 843	31 362	–	–	55 539	36 915	38 296
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	**456 409**	**483 586**	**573 772**	**647 220**	**–**	**–**	**635 771**	**657 439**	**690 184**
Expenditure - Functional										
Governance and administration		**233 891**	**166 741**	**164 427**	**152 988**	**–**	**–**	**154 177**	**160 308**	**165 134**
Executive and council		25 679	26 615	29 570	25 200	–	–	27 038	26 949	27 811
Finance and administration		208 212	140 126	134 857	127 788	–	–	127 139	133 359	137 323
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**24 424**	**28 773**	**33 835**	**27 716**	**–**	**–**	**53 352**	**37 522**	**54 579**
Community and social services		3 943	7 596	12 627	7 694	–	–	13 277	14 055	14 504
Sport and recreation		4 812	4 345	4 072	4 083	–	–	4 702	4 557	4 702
Public safety		15 668	16 832	17 136	15 939	–	–	35 372	18 911	35 372
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**42 514**	**21 377**	**33 625**	**32 137**	**–**	**–**	**19 455**	**34 221**	**19 455**
Planning and development		37 787	12 795	5 037	6 887	–	–	7 725	22 856	7 725
Road transport		4 727	8 582	28 588	25 250	–	–	11 730	11 366	11 730
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**295 760**	**338 092**	**357 086**	**327 838**	**–**	**–**	**324 133**	**343 807**	**362 111**
Energy sources		126 834	150 793	145 809	142 083	–	–	145 509	154 257	166 128
Water management		105 057	105 908	114 043	100 976	–	–	91 568	101 032	104 274
Waste water management		21 537	26 723	41 995	22 761	–	–	24 251	23 499	24 251
Waste management		42 331	54 668	55 239	62 018	–	–	62 805	65 019	67 458
Other	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	**596 589**	**554 983**	**588 973**	**540 679**	**–**	**–**	**551 117**	**575 859**	**601 279**
Surplus/(Deficit) for the year		**(140 180)**	**(71 397)**	**(15 201)**	**106 541**	**–**	**–**	**84 654**	**81 581**	**88 905**

20. DETAILED BUDGET PER MUNICIPAL VOTE

Detailed budget per municipal vote as per Table A3

MP304 Pixley Ka Seme (MP) - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	####	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited	Audited	Audited	Original Budget	Adjusted	Full Year	Budget Year	Budget Year +1	Budget Year +2
Revenue by Vote	1									
Vote 1 - Executive and Council		149 583	159 446	169 145	23 200	-	-	21 449	25 513	26 532
Vote 2 - Budget and Treasury		141 544	66 810	94 129	127 473	-	-	135 814	142 007	146 771
Vote 3 - CORPORATE SERVICES		278	351	464	11 142	-	-	7 615	11 677	12 186
Vote 4 - PLANNING AND DEVELOPMENT		-	-	5	5 581	-	-	6 124	11 711	12 220
Vote 5 - COMMUNITY & SOCIAL SERVICES		132	136	147	22 575	-	-	20 123	23 666	24 694
Vote 6 - PUBLIC SAFETY		7 506	274	491	16 733	-	-	7 615	11 677	12 186
Vote 7 - SPORTS & RECREATION		12	23	-	11 142	-	-	12 186	11 677	12 186
Vote 8 - TECHNICAL SERVICES		29 978	28 865	35 456	54 230	-	-	56 552	58 750	60 797
Vote 9 - WASTE MANAGEMENT		13 109	15 675	14 843	25 791	-	-	28 408	30 970	32 096
Vote 10 - Sewer Reticulation		-	-	-	5 571	-	-	27 024	5 839	6 093
Vote 11 - WATER		35 638	49 846	84 781	95 313	-	-	121 906	113 642	118 021
Vote 12 - ELECTRICITY		59 523	140 939	132 620	183 833	-	-	147 380	166 732	181 290
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	**437 362**	**462 366**	**532 082**	**582 584**	**-**	**-**	**592 198**	**613 862**	**645 072**
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and Council		25 679	26 616	29 570	25 200	-	-	27 038	26 949	27 811
Vote 2 - Budget and Treasury		169 656	105 638	105 140	90 852	-	-	85 390	92 555	95 535
Vote 3 - CORPORATE SERVICES		23 826	24 645	19 807	27 415	-	-	30 655	30 053	30 656
Vote 4 - PLANNING AND DEVELOPMENT		1 746	1 943	1 743	4 056	-	-	4 495	19 721	4 496
Vote 5 - COMMUNITY & SOCIAL SERVICES		3 943	7 596	12 627	7 694	-	-	13 277	14 055	14 504
Vote 6 - PUBLIC SAFETY		20 395	23 369	37 356	32 156	-	-	35 372	18 911	35 372
Vote 7 - SPORTS & RECREATION		4 812	4 345	4 072	4 083			4 702	4 557	4 702
Vote 8 - TECHNICAL SERVICES		50 771	20 694	13 205	12 352	-	-	14 325	13 886	14 363
Vote 9 - WASTE MANAGEMENT		34 557	43 784	48 279	57 359	-	-	55 659	58 094	60 311
Vote 10 - Sewer Reticulation		7 774	10 884	6 960	4 659	-	-	7 147	6 925	7 147
Vote 11 - WATER		105 057	105 908	114 043	100 976	-	-	91 568	101 032	104 274
Vote 12 - ELECTRICITY		126 834	150 793	145 809	142 083	-	-	145 509	154 257	166 128
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	**575 052**	**526 216**	**538 611**	**508 886**	**-**	**-**	**515 137**	**540 994**	**565 299**
Surplus/(Deficit) for the year	2	**(137 690)**	**(63 850)**	**(6 529)**	**73 698**	**-**	**-**	**77 061**	**72 868**	**79 773**

21. MUNICIPAL MANAGER'S QUALITY CERTFICATE

I, **MA Ngcobo** Municipal Manager of **Dr Pixley Ka Isaka Seme Municipality**, hereby certify that the Draft annual budget and supporting documentation of the 2026/27 Operating and Capital Budget have been prepared in accordance with the Municipal Finance Management Act, 56 of 2003, 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 : Mr MA Ngcobo

Municipal Manager of : DR PIXLEY KA ISAKA SEME MUNICIPALITY

Signature : ....

Date : 31 MARCH 2026

ANNEXURE C 1 – TARIFFS OF CHARGES

ANNEXURE C 2 – EMPLOYEE RELATED COSTS