

# GREATER TAUNG

## LOCAL MUNICIPALITY



# ANNUAL BUDGET DOCUMENT

## 2025/26 TO 2027/28

### MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK

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## Abbreviations and Acronyms

AMR	Automated Meter Reading	KPI	Key Performance Indicator
ASGISA	Accelerated and Shared Growth Initiative	kWh	kilowatt
BPC	Budget Planning Committee	ℓ	litre
CBD	Central Business District	LED	Local Economic Development
CFO	Chief Financial Officer	MEC	Member of the Executive Committee
CM	Municipality Manager	MFMA	Municipal Financial Management Act Programme
CPI	Consumer Price Index	MIG	Municipal Infrastructure Grant
CRRF	Capital Replacement Reserve Fund	MMC	Member of Mayoral Committee
DBSA	Development Bank of South Africa	MPRA	Municipal Properties Rates Act
DoRA	Division of Revenue Act	MSA	Municipal Systems Act
DWA	Department of Water Affairs	MTEF	Medium-term Expenditure Framework
EE	Employment Equity	MTREF	Medium-term Revenue and Expenditure Framework
EEDSM	Energy Efficiency Demand Side Management	NERSA	National Electricity Regulator South Africa
EM	Executive Mayor	NGO	Non-Governmental organisations
FBS	Free basic services	NKPIs	National Key Performance Indicators
GAMAP	Generally Accepted Municipal Accounting Practice	OHS	Occupational Health and Safety
GDP	Gross domestic product	OP	Operational Plan
GDS	Gauteng Growth and Development Strategy	PBO	Public Benefit Organisations
GFS	Government Financial Statistics	PHC	Provincial Health Care
GRAP	General Recognised Accounting Practice	PMS	Performance Management System
HR	Human Resources	PPE	Property Plant and Equipment
HSRC	Human Science Research Council	PPP	Public Private Partnership
IDP	Integrated Development Strategy	PTIS	Public Transport Infrastructure System
IT	Information Technology	RG	Restructuring Grant
kℓ	kilolitre	RSC	Regional Services Council
km	kilometre	SALGA	South African Local Government Association
KPA	Key Performance Area	SAPS	South African Police Service
		SDBIP	Service Delivery Budget Implementation Plan
		SMME	Small Micro and Medium Enterprises

## Part 1 – Annual Budget

### Background

#### Purpose

The purpose of this report is to comply with sections 16(1) (2) and 24 of the Municipal Finance Management Act no.56 of 2003 which requires council to approve the annual budget of the municipality before the start of the budget year.

#### Legislative framework

##### Approval of the annual budget

Section 16 of the Municipal Finance Management Act no.56 of 2003 states that;

1. The council of the municipality must for each financial year approve an annual budget of the municipality before the start of that budget year.
2. In order for a municipality to comply with subsection (1) above 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.

Section 24 of the Municipal Finance Management Act no.56 of 2003 states that;

1. The municipal council must at least thirty days before the start of the budget year consider approval of the annual budget.
2. An annual budget –
  - i. Must be approved before the start of the budget year;
  - ii. Is approved through adoption by way of a council resolution referred to in section 17(3)(a)(i) of the MFMA and
  - iii. Must be approved together with the adoption of resolutions as may be necessary-
    1. Imposing any municipal tax for the budget year;
    2. Setting any municipal tariffs for the budget year;
    3. Approving measurable performance objective for revenue from each source and for each vote in the budget;
      - (1) Approving any changes to the Integrated Development Plan; and
      - (2) Approving any changes to the municipality's budget-related policies.
      - (3) The accounting officer of a municipality must submit the approved annual budget to the National Treasury and the relevant Provincial Treasury.

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#### Failure to approve budget before the start of the budget year

Section 25 of the Municipal Finance Management Act no.56 of 2003 states;

1. If a municipal council fails to approve the annual budget including revenue-raising measures necessary to give effect to the budget the council must reconsider the budget

and again vote on the budget or on an amended version thereof within seven days of the council meeting that failed to approve the budget.

2. The process provided for in subsection (1) must be repeated until a budget including revenue-raising measures necessary to give effect to the budget is approved.
3. If a municipality has not approved an annual budget including revenue-raising measures necessary to give effect to the budget by the first day of the budget year the mayor must immediately comply with MFMA Section 55

### **Consequences of failure to approve budget before start of the budget year**

Section 26 of the Municipal Finance Management Act no.56 of 2003 states;

- (1) If by the start of the budget year a municipal council has not approved an annual budget or any revenue-raising measures necessary to give effect to the budget the provincial executive of the relevant province must intervene in the municipality in terms of section 139(4) of the Constitution by taking any appropriate steps to ensure that the budget or those revenue-raising measures are approved including dissolving the council and-
  - (a) Appointing an administrator until a newly elected council has been declared elected; and
  - (b) Approving a temporary budget or revenue-raising measures to provide for the continued functioning of the municipality.
- (2) Sections 34(3) and (4) and 35 of the Municipal Structures Act apply when a provincial executive dissolves a municipal council.
- (3) When approving a temporary budget for a municipality in terms of subsection (1) (b) the provincial executive is not bound by any provision relating to the budget process applicable to a municipality in terms of this Act or other legislation. Such a budget must after the intervention has ended be replaced by a budget approved by the newly elected council provided that the provisions of this Chapter relating to annual budgets are substantially complied with in line with any revised time frames approved by the MEC for finance in the province.
- (4) Until a budget for the municipality is approved in terms of subsection (1) funds for the requirements of the municipality may with the approval of the MEC for finance in the province be withdrawn from the municipality's bank accounts in accordance with subsection (5).
- (5) Funds withdrawn from a municipality's bank accounts in terms of subsection (4)-
  - (a) may be used only to defray current and capital expenditure in connection with votes for which funds were appropriated in the approved budget for the previous financial year; and

## 1.1. MAYOR'S REPORT

HONORABLE MAYOR, CLLR. TUMISANG GAORAELEWE

BUXTON COMMUNITY HALL

THURSDAY, 29 MAY 2025

### PROLOGUE

Motlotlegi Mmusa-kgotla, Mme Grace Moipolai, Seme-Segolo sa Lekgotla, Motlotlegi Mme Masego Mokuoa, Maloko-komiti-khuduthamaga ya ga majoro, Balekgotla ba dikgorwana le ba makoko a 00..dipolotiki ka go farologana, Magosi a rona a a tlotlegang, members of wardcommittees from various wards, Municipal Manager, Directors, managers and staff of Greater Taung Local Municipality, members of the media, guests from different public and private entities, baagi ba rona bao ba leng fano, le bao ba golaganeng le rona ka mafatthatlha a a farologaneng – Dumelang!

I greet you on behalf of all the 202 009 citizens spread over one hundred and thirty-one settlements across Greater Taung, 95% of which are rural.

### FOREWORD

Honourable Speaker, I am standing here today as your servant deployed to lead this community and which is a call that I am honouring.

In February 2025, our council and administration engaged in a three-day strategic planning session in which we identified what needs to be done to move our municipal area forward. These two processes have led to the draft budget and IDP, which the municipal council noted in March 2025. Furthermore, the Mayor led the executive committee members, councillors and the administration on izimbizo's to confirm prioritised services and present the draft IDP and budget for 2025/26 financial year to the communities.

Today represents the culminating point of those legislated processes. I am therefore delighted to present the budget speech for 2025/26 financial year.

We present this budget under trying and constraining circumstances due to the country and world's economic outlook. Although our dependency ratio has improved slightly from 77.6% to 68.7%, it is still very high. Our unemployment rate is 50%. 90% of our citizens live in rural settlements. The number of households has increased from 48 613 to 53 551.

It was with these statistics in mind that we reaffirmed our stance on the need to continue with our cost containment efforts as well as the need to look elsewhere for additional revenue. Mme gone sejo sennye ga se fete molomo, Ebile Madi-mannye a mmutlwa a baya mmutlwana pelo.

#### FINANCIAL PERFORMANCE FOR 2024/25 FY

Madam Speaker, I believe it's important to remind this Augustus house and the community at large that in 2021 we took a selfless and patriotic vow that "We are the people we've been waiting for"

Let me borrow the wise words of who is regarded the figure of modern African Literature, A Poet, A Novelist, and a critic,

Nigerian born Chinua Achebe when he said "Until the lions learn how to write, the story of the hunt will always glorify the hunter" In this metaphor we the leadership of GTLM we are the lions and this is our story:

Madam Speaker, I think it is important to note the following accolades with regards to our financial performance:

- Our Municipality got qualified audit opinion with only four qualification paragraphs in the last audit.
- Out of 22 municipalities in the North-West Province, we are one of the only 6 that have produced funded budget in the 2024/25 financial year.
- GTLM is the ONLY municipality in Dr Ruth Segomotsi Mompati District that have produced funded budget in the 2024/25 financial year.

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#### Revenue Enhancement

The council has resolved to double the efforts to solicit additional funding from external funders, in order to improve our capacity to do more for our communities.

I must commend the Finance Portfolio Committee under Honourable Mika Moeti for their active oversight as well as the Administration under the Municipal Manager and Chief Finance Officer.

## OVERSIGHT

In this financial year our Municipal Public Accounts Committee has managed to address backlog on oversight reports for 2022/23 and 2023/24 financial years. These reports were tabled to the Municipal Council for adoption on 31st March 2025 and later submitted to the Provincial Legislature.

The committee was further able to conduct the investigation on Unauthorised, Irregular, Fruitless and Wasteful expenditure. The report will be presented to council in due course. We thank the MPAC Chairperson, Honourable Seakgamoriri Mmokwa and the entire committee for their efforts.

## HIGH LEVEL PERFORMANCE IN 2024/25

During the financial year that is coming to an end we were able to deliver a lot of non-infrastructure services regardless of persistent financial constraints. We were able to achieve the following by end of Quarter 3 of 2024/25 financial year:

- Spend R45,425,701 (71%) of Municipal Infrastructure Grant.
- Provide 686 existing households in Reivilo and Boipelo with access to water.
- Provide 2 446 existing households in the proclaimed areas with access to sanitation.
- Provide 2 545 existing households in proclaimed areas with access to weekly refuse collection.
- Provide 54 temporary shelters in various wards.
- Create 78 temporary job opportunities through local procurement projects.
- Create 41 Full Time Equivalentents through EPWP.
- Create 72 Full Time Equivalentents (calculated as through MLIP).
- Provide free basic electricity to 3 796 indigent households.
- Provide free basic water to 27 indigent households.
- Provide free basic sanitation to 192 indigent households.
- Provide free basic refuse removal to 223 indigent households.
- Provide monthly rebates on property rates to 177 indigent households.

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“Until the lions learn how to write, the story of the hunt will always glorify the hunter” EFFORTS TO MAKE OUR MUNICIPALITY FIT FOR PURPOSE

Speaker, Ladies and Gentlemen, appointment of substantive senior managers is important for administrative leadership stability. I am pleased to report that, in November 2024, the municipal council was able to appoint the Chief Financial Officer, Corporate Services and Technical Services Directors. These appointments put the Municipality at 83% of section 56 managers. Work is ongoing to ensure filling of the position of Spatial Planning & Human Settlement Director by end of June 2025, which will complete the quota of senior managerial appointments. It is also worth noting that ten other critical positions were filled to address the service delivery and governance issues.

Madam Speaker, Training and Development are important for improvement of employee skills and institutional performance. In this financial year we were able to capacitate 20 officials and 10 councillors at a total cost of R360 000.00.

We will, in due course, be appointing a panel of training service providers to implement training programmes in line with the Workplace Skills Plan (WSP) at an estimated cost of R728 000.00.

Madam Speaker, we have recently appointed a panel of attorneys to assist us resolve legal issues we get confronted with from time to time. This panel comprises experienced practitioners in broad spectrum of legal practice, inclusive of conveyancing and debt collection, both of which should impact positively on our revenue enhancement strategy.

In the endeavour to save on legal costs and give effect to Batho Pele Principle No. 8 'Value for Money', the legal unit will, where possible, opt for out of Court settlement by employing alternative dispute resolutions such as mediation. With that intent in mind, we have budgeted Two Million Rand for Legal Fees in 2025/26 financial year. We are grateful for the work done by Corporate Services Portfolio under the leadership of Honourable Nonteto Tafane.

Information Communication Technology plays a vital role in managing information, improving operations, and ensuring security. To this end, the ICT Unit has implemented a range of ICT programs. These include Network and connection (internet services), IT infrastructure upgrade, Microsoft Licensing Agreements, anti-virus software subscription, as well as other specialized third-party software solutions to support various Municipal functions and services.

To continue having these critical services and ensuring that the ICT Infrastructure is up to standard a budget of R3.7 million has been set aside in the 2025/26 financial year. We thank the ICT Portfolio

Committee under the leadership of Honourable Linda "Double-Benz" Mabengwane for their efforts.

## SERVICE DELIVERY INFRASTRUCTURE PROJECTS

In the 2024/25 financial year, our Municipality received three service delivery grants, viz. Municipal Infrastructure Grant, Integrated National Electrification Program and Expanded Public Works Program. These grants add up to a total of R74 158 000.00. Although not enough, these conditional grants enabled the municipality to address three major needs (roads, stormwater management and electrification).

Additionally, the municipality had allocated R21 950 000 to service and maintain its assets such as the provision of fuel, maintenance of roads and sanitation infrastructure.

The implementation of these projects assisted in creating employment opportunities for the locals. It is also worth mentioning that opportunities were created for active meaningful participation of local small, medium and micro enterprises in all capital projects.

### Road Infrastructure

Madam Speaker Road Infrastructure has been our citizens' number one service delivery priority for many years. We have a responsibility to listen when our people speak. To demonstrate that we have heard our people's plea, we were able to complete road infrastructure projects in Kgomotso and Molelema to the value of R22.6 million. We have ongoing road infrastructure projects in Ext 7, Seoding, Vaaltyn and Tlapeng to the value of R43.8 million.

These figures represent 63% of all total infrastructure projects expenditure for the current financial year. 27% of R105.2 million of the expenditure on infrastructure projects is divided between Stormwater Channel, Highmast Lighting and Sports Facility.

There are plans in place to build access roads in Khaukwe, Majaneng, Shaleng, Matlhako 2, Rietfontein, Mokasa 1 and Moseja in the 2025/26 Financial Year at a cost of R74.8 million. Ga re ikoketse magetla ka maje ha re re re a reetsa.

### Water Provision

Water Provision is as much a challenge in our locality as it is across the country. We have a duty to work with the District Municipality, who is the authority responsible in this regard. I am delighted to report that the water and sanitation progress as the core competency of Dr. Ruth Segomotsi Mompati District Municipality comprises the following:

- Construction of Khibicwane bulk supply lines, reservoirs and pump stations,
- Additional raw water storage in Pudimoe,
- Rural Sanitation Programme, and
- Internal Water Reticulation Upgrade in Modutung

Speaker, we also have an important contribution to make in water and sanitation. To that extent we are planning to procure a sewer truck, five sewer pumps and five 10 000L Water tanks. The total investment on these will be R3.2 million, which should enable us to respond to emergencies and thus ensure that we deliver on this basic right.

### Electricity

Speaker there can be no denying the fact that our Municipality has worked hard to bring electricity to our communities. This was done through actual electrification of households as well as installation of high-mast lights across various wards. In the 2024/25 financial year we installed 24 high-mast lights at a cost of R9.8 million across various wards. We are planning to instal further 24 high-mast lights at a cost of R13.9 million across various wards.

Through our partnership with INEP, we were able to upgrade the substation in Reivilo, which will enable us to add more units to the 545 households we managed to electrify in 2024/25.

In this current financial year, we were able to connect six hundred and fifty-five of the seven hundred and ten houses we had planned to electrify in ten villages around Taung. We had also planned to infill six hundred and thirteen of the four hundred and eleven households in twenty-four villages. In the next financial year, we are planning to infill nine hundred households in thirty-seven villages. We are grateful to Eskom for the support in this regard.

In the 2025/26 financial year we will be piloting 24 solar-dependent highmast lights. This will positively impact the municipality's financial expenditure status and allow the institution to actively participate in green energy provision.

### Sport and Recreation

Speaker as the old saying, 'All work and no play makes Jack a dull boy'. We have to be intentional about building and maintaining facilities for our young people to play and nurture their different talents. We are currently building a Sports Facility in Modimong at a cost R19.6 million. This is being done with the support of the National Department of Sports Arts and Culture. Further to that we have put aside R5 million for the refurbishment of Mokasa 1 and Sekhing Sports Facilities. We

are delighted that the Technical Services Portfolio Committee, under the leadership of Honourable Itumeleng Maribe has done such sterling work to ensure delivery to our communities.

## SAFETY OF OUR COMMUNITIES

Madam Speaker, Waste Management is one of the services we need to pay special attention to, in order to contribute to the national efforts of curbing global warming and other related challenges. Closure of Pudimoe landfill site, which was non-compliant, is an indication that GTLM is serious about waste management.

Fellow citizens, our municipality is still committed to its resolution of establishing Traffic Management Services. This resolution was intended help us implement some of our by-laws in the CBD and increase our revenue base. We invested a significant amount of money to identify and send thirty young people to Matjhabeng Traffic College, where they got theoretical training on traffic management. This theoretical training was meant to be followed by experiential training in Taung.

We have started working towards the point where we are able to recruit three officials who would mentor the thirty learners. Job Descriptions for the three positions were taken for grading at Provincial Job Evaluation Unit, and we expect the evaluation process to be completed by Friday, 30 May 2025. We should be able to commence with the recruitment of the said positions early in the new financial year. We thank Community Services Portfolio under the leadership of Honourable Mosetsanagape Mosinkiemang for the good work they have done.

The establishment Traffic Unit will be realised this coming financial year, the Traffic learnership will be fully completed this coming financial year of 2025/26 despite sour-grape utterances by the prophets-of-Doom.

Former President of the republic, Cde Thabo Mvuyelwa Mbeki once taught us “Gloom and despondency have never defeated adversity. Trying times need courage and resilience. Our strength as people is not tested during the best of times”

## PROMOTION OF OUR INSTITUTIONAL IMAGE

Madam Speaker, few years ago, our Municipal Council commissioned research and recording of history of Taung. We engaged North-West

University’s School of Social Sciences to undertake the research. The book, titled Taung in History – Moments, Memories and Human Encounters is out and will be launched soon. Through this book, we wish to highlight our tourism potential as well as ensure that our history and heritage is neither

claimed nor forgotten. It is particularly interesting that this happens during the year in which we celebrate our 25th year anniversary. We hope to use this opportunity to demonstrate the extent to which our Municipality has helped improve the citizens' quality of life.

## LOCAL ECONOMIC DEVELOPMENT

Speaker, support for the small, medium and micro enterprises is key for economic development. In the current financial year, we were able to purchase equipment for twenty SMME's through our LED Support Grant. We believe this will significantly enhance their business operation and help them create employment opportunities for others. We were also able to train no less than two hundred and ninety-five business owners, a significant percentage of whom were youth and women.

Our LED Portfolio Committee, under the leadership of Honourable Councillor Thandiwe Sebe has worked with Health Inspectors from the District Municipality to register Spaza and Tuck Shops as well as other

Food Handling Facilities in our locality. Part of the work the Unit will be doing in the next financial year will be to help these businesses comply with all relevant regulations.

## BUDGET OVERVIEW

In this budget I am able to announce that the 2025/26 – 2027/28 Medium-Term Revenue and Expenditure Framework (MTREF) proposes the appropriation of the following:

- Total operating revenue of R372 million
- Total operating expenditure of R371 million and
- Total Operating surplus of R 1 million

### Operating Revenue

The total budgeted operating revenue appropriation of R372 million, which indicates an increase of 3% in comparison to R359 million operating revenue budget of 2024/25 financial year:

- Property Rates will be decreased by 15% from R45 million to R39 million
- Electricity Service Charges are projected to decrease by 15% in 2025/26 financial year. The tariffs will however increase by 11.32% as per NERSA guidelines.
- Water Service Charges decreases by 10% from R1.8 million to R1.7 million

- Waste Water Management Service charges decrease by 25% from R4.7 million to R3.5 million
- Waste Management Service Charges decreases by 10% from R6.7 million to R6 million
- Operating Grants decrease from R267 million to R265 million as per 2025/26 Division of Revenue Act (DORA)

#### Operating Expenditure

This totals to R371 million, which indicates a decrease of 6% when compared to the R394 million of 2024/25 financial year. The municipality retains a funded budget with an operating surplus of just over R1 million.

As such our municipality therefore needs to follow a conservative approach when projecting revenue and to eliminate any wasteful and unnecessary expenditure. Importantly we should ensure that we adopt realistic and funded 2025/26 MTREF budget, collect the debts owed to us and pay creditors within 30 days of receipt of invoice as prescribed by the MFMA.

Ke a leboga, Thank You.

## 1.2. RESOLUTIONS

### **GREATER TAUNG LOCAL MUNICIPALITY**

#### **MINUTES OF THE SPECIAL COUNCIL MEETING HELD ON 29<sup>th</sup> MAY 2025, GREATER TAUNG BUXTON HALL AT 10H00.**

#### **Adoption of Municipal Final Budget in terms of Section 16 of the Municipal Finance Management Act (MFMA)**

Report is to give effect to the regulations concerning financial reporting by municipalities: Local Government: Municipal Finance Management Act, 2003 (Act no. 56 of 2003), as promulgated in the Government Gazette no. 26019 dated 13 February 2004

#### **Council Resolution 213-2025/26**

- (a) That Council take note of the contents of the Final Budget of Greater Taung Local Municipality for the financial year 2025/26 and indicative of the two projected outer years 2026/27 and 2027/28.
- (b) That Council approves of the Final MTREF Budget for the 2025/26 financial year as follows:
  - Total revenue by source with an amount of R 432 788 162
  - Operating revenue by source with an amount of R 372 121 962
  - Capital Revenue by source with an amount of R 60 666 200
  - Operating Expenditure by type with an amount of R 371 043 871
  - Capital Expenditure by vote with an amount of R 81 016 200
- (c) That transfer of funds from capital budget should be approved by the municipal manager through consultation with the mayor.
- (d) That Council considers the inputs of the Provincial Treasury after the budget engagement
- (e) That Council approves the Final tariff increases as follows with affect from 01 July 2025:

Description	2025/26 Medium Term Revenue & Expenditure Framework		
	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand %			
Property rates	4%	4%	4%
Water	4.3%	4.6%	4.4%
Electricity	11.32	11.6%	12.3%
Refuse	4.3%	4.6%	4.4%
Sanitation	4.3%	4.6%	4.4%
Other services	As and when a need arises		

- (f) That Council take note of NERSA guideline which indicates an 11.32% increase
- (g) That the allowances for ward committee members be R1 500 and R 2 000 for secretaries per month on the condition of at least one sitting
- (h) That Council further approves of the Salary Budget which is at 47% of the municipality's operating budget.
- (i) That the 2025/26 Final Tariff Schedule be approved
- (j) That Revenue Strategies be enhanced and implemented to collect outstanding monies due to Greater Taung Local Municipality.
- (k) That the following budget related policies be tabled together with the Final budget and amended IDP:
- 1) Asset Management Policy
  - 2) Budget Policy
  - 3) Cash Management & Investment Policy
  - 4) Credit Control & Debt Collection Policy
  - 5) Credit Control & Debt Collection Policy by-laws
  - 6) Budget Funding & Reserve Policy
  - 7) Indigent Policy
  - 8) Property Rates Policy
  - 9) Property Rates By-Laws
  - 10) Supply Chain Management Policy
  - 11) Tariff Policy
  - 12) Virement Policy
  - 13) 2025/26 Final Procurement Plan
  - 14) 2025/26 Final Tariff Schedule
  - 15) Cost containment policy
  - 16) All the relevant HR policies and NT Circulars

### 1.3. EXECUTIVE SUMMARY

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably economically and equitably to all communities. The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. A critical review was also undertaken of expenditures on noncore and 'nice to have' items.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government. National Treasury's MFMA Circulars no. 129 and 130 were used to guide the compilation of the 2025/26 MTREF.

#### Financial Assumptions

The consolidated national budget deficit remains elevated at 4.8% of GDP in 2025/26 and above 3% in 2026/27 and 2027/28, narrowing to 3.4% in the final year of the MTEF - just below the 3.5% projection in March.

The provincial budget allocation is set at R55.7 billion for the 2025/26 financial year at the disposal of government for effort to address the socio-economic challenges faced by our citizens in the province.

One of the featured projects from the provincial fiscus is "the resuscitation of the Taung Irrigation Scheme" which is in full swing following the ongoing discussions and consultations with Bogosi and other key stakeholders. The collaborative work between the Vaalharts Water Users Association; the Department of Water and Sanitation and the Dr Ruth Segomotsi Mompati District Municipality will result in an increase of water supply to households in areas such as Taung, Pudimoe and Huhudi. However, after political and legal contestation, the VAT rate increases, and the proposed budget legislation were withdrawn, and the fiscal framework was set aside. Following these events and subsequent government deliberations, the Minister of Finance tabled a revised budget and fiscal framework on 21 May 2025.

The fiscal strategy remains on course so that government can spend less on debt-service costs and more on critical public services. Government debt will stabilise in 2025/26 at 77.4 per cent of GDP. For the first time since the 2000s, government is consistently running a primary surplus, where revenue exceeds non-interest expenditure. In time, this growing surplus will reduce rising debt-service costs. These costs will consume 22 cents of every rand collected in revenue in 2025/26 – money that could be better spent to build fiscal shock absorbers and fund health, education and security.

As a small open economy dependent on global trade and financial inflows, South Africa is highly exposed to external volatility. Rapid intensification of trade tensions and elevated policy uncertainty are weighing on the global outlook.

South Africa's real GDP growth is now forecast to be 1.4 per cent in 2025, compared with 1.9 per cent projected in March 2025. The outlook is negatively affected by the impact of weaker-than-expected growth in the fourth quarter of 2024, along with persistent logistics constraints, heightened political uncertainty, high borrowing costs and global headwinds.

**Economic Outlook:**

Real economic growth is forecast to increase to 1.9 per cent in 2025. Lower-than-expected growth in 2024 is due to unanticipated weaknesses in agriculture and transport during the third quarter. Economic growth is projected to average 1.8 per cent from 2025 to 2027, with the continued recovery supported by improved investor confidence, stable electricity supply, lower interest rates and a declining risk premium. Continued implementation of structural reforms is essential to accelerate growth, supported by macroeconomic stability, infrastructure investment and a capable state.

**Budget Framework:**

Investing in strategic infrastructure, supporting job creation and maintaining a growth-friendly fiscal policy will underpin government policy over the medium term. The fiscal strategy remains on course. It blends critical spending measures, including for essential services and infrastructure investments, with revenue increases. The consolidated budget deficit is expected to narrow from 5 per cent of GDP in 2024/25 to 3.5 per cent of GDP in 2027/28. Government will reach the important milestone to stabilise debt next year through the strengthening primary surplus. Debt-service costs, which consume 22 cents of every rand of revenue, will stabilise in the current year.

**Spending Programmes:**

Consolidated government expenditure increases at an annual average of 5.4 per cent, from R2.4 trillion in 2024/25 to R2.81 trillion in 2027/28. Over the MTEF period, excluding payments for servicing debt, the contingency reserve and provisional allocations, 48.3 per cent of nationally raised revenue is allocated to national government, 42 per cent to provinces and 9.7 per cent to municipalities. Section 4 summarises government spending and changes to provisional allocations since the March 2025 Budget Review.

Over the three-year period, consolidated spending has been revised down by R69.4 billion. The changes are concentrated in provisional allocations, which are revised from R204.8 billion to R141.8 billion. Departmental baselines are largely not affected. Relative to the 2024 Budget, the 2025 Budget provides total additional spending of R180.1 billion over the 2025 MTEF period. This funding mainly supports infrastructure investments, personnel spending pressures in education and health, early childhood development, higher-than-anticipated costs of the 2025 public-service wage agreement, the early retirement initiative and the South African Revenue Service (SARS). Debt-service costs will consume 22 cents of every rand collected in revenue in 2025/26. Government will spend R1.35 trillion servicing the debt over the three-year spending period.

**Principles and guidelines:**

The following budget principles and guidelines directly informed the compilation of the 2025/26 MTREF. The 2025/26 Budget priorities and targets as well as the base line allocations contained in the budget were adopted as the upper limits for the new baselines for the 2025/26 annual budget. Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI except where there are price increases in the inputs of services that are beyond the control of the municipality for instance the cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective and should consider the need to address infrastructure backlogs.

The latest release of the municipal standard chart of accounts (mSCOA) version 6.9 has a huge impact on the municipality on how the budget is compiled since it now requires all budget schedules to be extracted directly from the financial system as opposed to previously when only the main budget tables were a strict requirement to be extracted from the financial system. This has presented challenges not only to the municipality but also on the side of the financial system vendor where numerous budget input templates had to be developed and training needed to be provided to end-users to assist with populating budget data into the financial system and ensure compliance with mSCOA regulations the municipality has also resuscitated the mSCOA Committee to ensure that compliance is attained. Despite these challenges that we have faced our budget has been prepared in line with the latest requirements of mSCOA.

In view of the abovementioned, the following table is a consolidated overview of the proposed 2025/26 Medium-term Revenue and Expenditure Framework:

**Table 1. Consolidated Overview of the 2025/26 MTREF**

NW394 Greater Taung - Table A1 Budget Summary

Description	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Financial Performance</b>										
Property rates	26 214	29 993	31 027	45 939	45 939	45 939	45 939	39 048	40 801	41 821
Service charges	11 770	11 830	12 207	20 150	20 150	20 150	20 150	16 355	17 060	17 517
Investment revenue	6 176	6 577	6 704	10 480	10 480	10 480	10 480	8 000	8 359	8 568
Transfer and subsidies - Operational	219 225	241 659	254 010	266 922	266 922	266 922	266 922	265 257	264 110	276 403
Other own revenue	4 405	8 510	7 633	16 173	16 173	16 173	16 173	43 462	45 088	48 549
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>266 790</b>	<b>298 568</b>	<b>311 581</b>	<b>358 664</b>	<b>358 664</b>	<b>358 664</b>	<b>358 664</b>	<b>372 122</b>	<b>375 448</b>	<b>390 858</b>
Employee costs	123 657	127 333	130 977	143 085	141 835	141 835	141 835	148 435	156 428	162 871
Remuneration of councillors	20 217	20 508	22 818	24 908	24 908	24 908	24 908	26 091	27 330	28 629
Depreciation and amortisation	44 085	45 429	45 221	38 252	38 252	38 252	38 252	20 274	21 166	21 589
Interest	2 113	2 819	2 922	400	400	400	400	417	435	444
Inventory consumed and bulk purchases	9 862	16 065	13 817	15 445	17 518	17 516	17 516	17 649	18 649	20 007
Transfers and subsidies	404	949	309	50	300	300	300	700	742	794
Other expenditure	141 989	175 862	182 189	133 655	166 330	166 330	166 330	157 497	164 941	172 178
<b>Total Expenditure</b>	<b>342 329</b>	<b>387 966</b>	<b>398 251</b>	<b>355 797</b>	<b>389 541</b>	<b>389 541</b>	<b>389 541</b>	<b>371 044</b>	<b>389 683</b>	<b>406 513</b>
<b>Surplus/(Deficit)</b>	<b>(75 539)</b>	<b>(89 397)</b>	<b>(86 670)</b>	<b>3 867</b>	<b>(29 877)</b>	<b>(29 877)</b>	<b>(29 877)</b>	<b>1 078</b>	<b>(14 235)</b>	<b>(15 655)</b>
Transfers and subsidies - capital (monetary allocations)	43 343	48 387	50 255	69 600	69 600	69 600	64 944	60 666	60 375	63 025
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(31 696)	(41 030)	(36 414)	73 467	39 724	39 724	24 967	61 744	46 142	47 371
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(31 696)</b>	<b>(41 030)</b>	<b>(36 414)</b>	<b>73 467</b>	<b>39 724</b>	<b>39 724</b>	<b>24 967</b>	<b>61 744</b>	<b>46 142</b>	<b>47 371</b>

Total municipal revenue budget for the 2025/26 financial year is projected at R432 million, this indicates an increase of one percent when compared to the R429 million total revenue budget of 2024/25. The revenue budget is inclusive of R66 million that relates to the Municipal Infrastructure Grant (MIG). The total operating revenue budget for the 2025/26 financial year is projected at R372 million, this indicates an increase of three percent when compared to the R359 million operating revenue budget of 2024/25.

Property rates will be decreased by 15% from R45M to R39M. Electricity service charges are projected to decrease by 16% in the 2025/26 financial year, the tariffs will however increase by 11.32% as prescribed by the National Energy Regulator of South Africa (NERSA). Water service charges decreased by 10% from R1.8M to R1.7M. Waste-water management service charges decreased by 25% from R4.7M to R3.5M. Waste management service charges decreased by 10% from R6.7M to R6M. Operating grants decreased from R267M to R265M as per the 2025/26 Division of Revenue Act (DoRA).

The operating expenditure budget totals to R371 million which indicates a decrease of six percent when compared to the R394 million of the 2024/25 financial year. This translates to an operating surplus of just over R1 million rands, the municipality retains a funded budget.

As such our municipality therefore needs to follow a conservative approach when projecting revenue and to eliminate any wasteful and unnecessary expenditure. Importantly we should ensure that we adopt realistic and funded 2025/26 MTREF budget collect the debts owed to us and pay creditors within 30 days of receipt of invoice as prescribed by the MFMA. As such our municipality therefore needs to follow a conservative approach when projecting revenue and to eliminate any wasteful and unnecessary expenditure. Importantly we should ensure that we adopt realistic and funded 2025/26 MTREF budget collect the debts owed to us and pay creditors within 30 days of receipt of invoice as prescribed by the MFMA.

Capital expenditure budget is projected at R81 million for the 2025/26 which is made up of R 60.6 million from municipal infrastructure grant and R20.3 million from own funding. There is no indication of the INEP grant in the 2025/26 financial year. Own funding increases from R3M to R20.3M, the MIG grant of R60.6M is inclusive of a R5M budget from the department of sports, arts and culture. This is ear-marked for the refurbishment of the Mokassa and Sekhing sports facilities.

## OPERATING REVENUE FRAMEWORK

For Greater Taung Local Municipality to continue improving the quality of services provided to its community it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty.

The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

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

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipality and continued economic development;
- Efficient revenue management which aims to ensure at least 60% annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the municipality

The following table is a summary of the 2025/26 MTREF:

**Table 2. Summary of revenue classified by main revenue source**

NW394 Greater Taung - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	R thousand	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	3 592	3 455	3 669	6 825	6 825	6 825	3 539	5 072	5 300	5 432
Service charges - Water	2	1 159	1 287	1 047	1 870	1 870	1 870	840	1 683	1 759	1 803
Service charges - Waste Water Management	2	2 852	2 952	2 891	4 725	4 725	4 725	2 559	3 544	3 703	3 796
Service charges - Waste Management	2	4 118	4 135	4 601	6 729	6 729	6 729	4 562	6 056	6 323	6 488
Sale of Goods and Rendering of Services		623	682	911	1 190	1 190	1 190	579	6 512	6 804	6 974
Agency services		178	185	105	400	400	400	-	418	435	447
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		2 423	2 829	2 691	2 894	2 894	2 894	2 158	3 021	3 157	3 236
Interest earned from Current and Non Current Assets		6 176	6 577	6 704	10 480	10 480	10 480	6 509	8 000	8 359	8 568
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		290	396	419	367	367	367	505	383	400	410
Licence and permits		-	-	-	-	-	-	-	1 308	1 367	1 401
Special Rating Levies		-	-	-	-	-	-	-	-	-	-
Operational Revenue		212	382	215	8 453	8 453	8 453	8 307	26 825	29 794	30 872
<b>Non-Exchange Revenue</b>											
Property rates	2	26 214	29 893	31 027	45 939	45 939	45 939	23 655	38 048	40 801	41 821
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-
Licences or permits		-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		218 225	241 659	254 010	258 922	258 922	258 922	272 494	265 257	264 110	270 403
Interest		1 241	1 113	1 171	2 889	2 559	2 889	1 108	2 955	3 130	3 298
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		(562)	-	-	-	-	-	3 653	-	-	-
Other Gains		-	2 923	2 121	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>266 790</b>	<b>298 568</b>	<b>311 581</b>	<b>359 664</b>	<b>359 664</b>	<b>359 664</b>	<b>330 810</b>	<b>372 122</b>	<b>375 448</b>	<b>390 858</b>

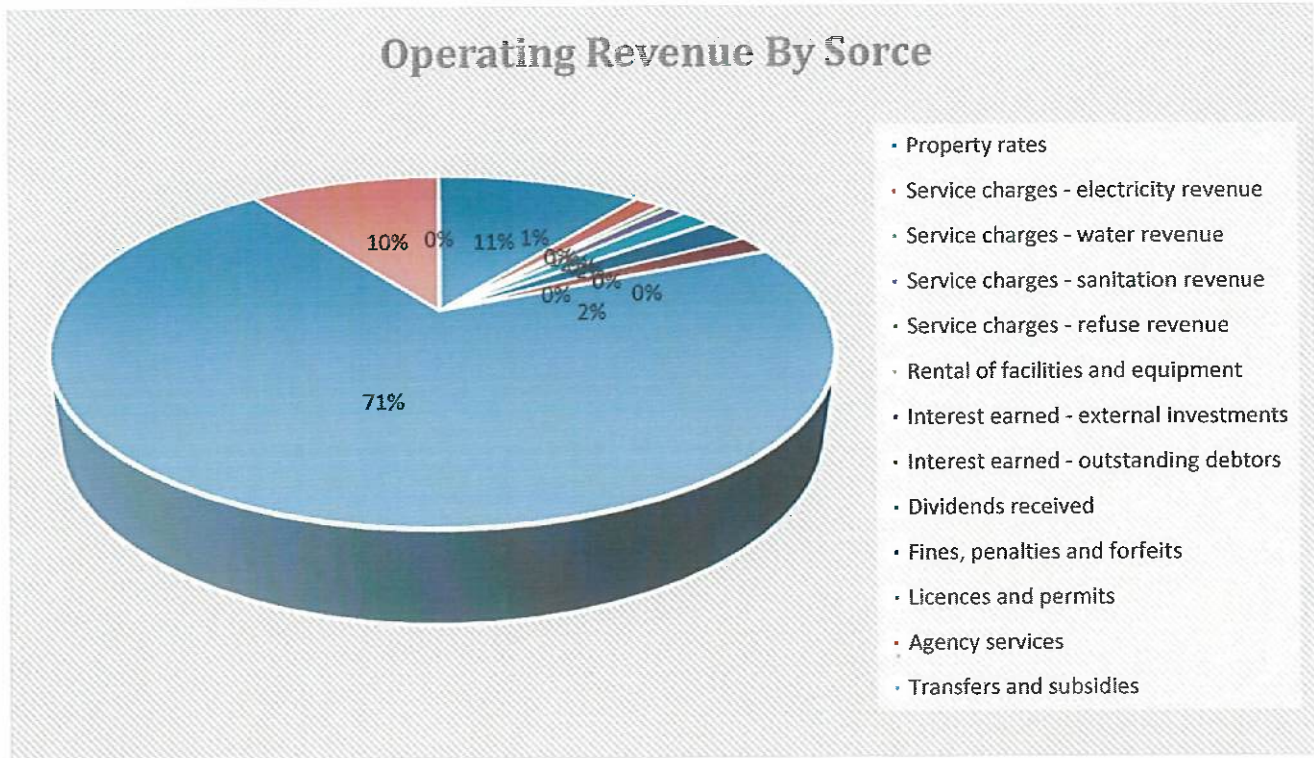
In line with the formats prescribed by the Municipal Budget and Reporting Regulations capital transfers and contributions are excluded from the operating statement as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Municipality adopts a tariff setting methodology that achieves an appropriate balance between the interest of poor households and other customers while ensuring financial sustainability of the municipality.

When setting tariffs, the following was considered:

- The guidelines from National Treasury
- cost of bulk purchases and the fluctuation of seasonal consumption;
- cost of providing services; and
- sound baseline information.
- The affordability of the services to all the classes of the consumers

Chart 1: Revenue Mix



**Transfers and subsidies**

Revenue from grants contributes 87% of the total operating revenue budget, this indicates that the municipality is grant dependent. Revenue generated from property rates is the second largest revenue source for the municipality alongside Transfers and subsidies. Service charges electricity is the largest of the revenue generated from service charges. Transfers from National and Provincial government totals R265 million of the total R372 million operating revenue budgets.

**Table 3. Operating Transfers and Grant Receipts**

NW394 Greater Taung - Supporting Table SA18 Transfers and grant receipts										
Description	###	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		5 058	4 807	5 355	5 925	--	6 140	7 495	4 842	4 715
Expanded Public Works Programme Integrated Grant		1 758	1 707	2 255	--	--	3 049	1 715	1 842	1 715
Local Government Financial Management Grant		3 300	3 100	3 100	3 100	--	3 100	3 600	3 000	3 000
Municipal Infrastructure Grant		--	--	--	2 825	--	--	2 781	--	--
<b>Provincial Government:</b>		--	--	--	1 097	--	--	1 146	1 259	1 319
Specify (Add grant description)		--	--	--	1 097	--	--	1 146	1 259	1 319
<b>District Municipality:</b>		--	--	--	--	--	--	--	--	--
<b>Other grant providers:</b>		--	--	--	--	--	--	1 081	1 427	1 912
North West Provincial Arts and Culture Council		--	--	--	--	--	--	1 081	1 427	1 912
<b>Total Operating Transfers and Grants</b>	5	5 058	4 807	5 355	7 022	--	6 140	9 723	7 528	7 946
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		46 717	40 218	54 163	53 691	--	52 730	69 535	63 596	63 554
Municipal Infrastructure Grant		46 717	40 218	54 163	53 691	--	52 730	62 835	63 596	63 554
Integrated National Electrification Programme Grant		--	--	--	--	--	--	6 700	--	--
<b>Provincial Government:</b>		--	--	--	--	--	--	--	--	--
<b>District Municipality:</b>		--	--	--	--	--	--	--	--	--
<b>Other grant providers:</b>		--	--	--	--	--	--	65	40	40
North West Provincial Arts and Culture Council		--	--	--	--	--	--	65	40	40
<b>Total Capital Transfers and Grants</b>	5	46 717	40 218	54 163	53 691	--	52 730	69 600	63 636	63 594
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	51 775	45 025	59 518	60 714	--	58 879	79 323	71 164	71 540

**Proposed Tariffs**

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates tariffs and other charges were revised local economic conditions input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

National Treasury continues to encourage municipalities to keep increases in rates tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the upper boundary of the South African Reserve Bank’s inflation target. The municipality increased the property rates tariff by 4% and increased other tariffs charges with 4.3% except for electricity which was increased by 11.32% as per NERSA guidelines. Excessive increases are likely to be counterproductive resulting in higher levels of non-payment.

Multi-year tariff increases are proposed as follows:

**Table 4. Proposed Tariff Setting**

Description	2025/26 Medium Term Revenue & Expenditure Framework		
	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Property Rates	4%	4.4%	4.4%
Electricity	11.32%	11.6%	12.3%
Water	4.3%	4.6%	4.4%
Sanitation	4.3%	4.6%	4.4%
Refuse	4.3%	4.6%	4.4%
Other services	As and when the need arises		

### 1.3.1. Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2025/26 financial year based on a 4% for all properties.

The municipality has performed a reconciliation of the valuation roll against the financial system where disparities were found and the municipality is in the process of correcting the budget estimates above have taken these into consideration.

**Table 5. Property rates**

PROPERTY TAXES (Zero VAT Rated)							
Residential	R 0.01487	4.0%	R 0.01547	4.4%	R 0.01615	4.4%	R 0.01686
Businesses	R 0.01856	4.0%	R 0.01931	4.4%	R 0.02016	4.4%	R 0.02104
Industrial	R 0.01856	4.0%	R 0.01931	4.4%	R 0.02016	4.4%	R 0.02104
Agricultural	R 0.00372	4.0%	R 0.00387	4.4%	R 0.00404	4.4%	R 0.00421
Agricultural: Businesses	R 0.00000	4.0%	R 0.00000	4.4%	R 0.00000	4.4%	R 0.00000
PSP (Public Service Purposes)	R 0.01856	4.0%	R 0.01931	4.4%	R 0.02016	4.4%	R 0.02104
Multipurpose (Tariff Calculated based on Percentage of Property usage as Residential)	R 0.00000	4.0%	R 0.00000	4.4%	R 0.00000	4.4%	R 0.00000
Multipurpose (Tariff Calculated based on Percentage of Property usage as Business)	R 0.00000	4.0%	R 0.00000	4.4%	R 0.00000	4.4%	R 0.00000
PSI (Eg Roads)	R 0.01856	4.0%	R 0.01931	4.4%	R 0.02016	4.4%	R 0.02104
Mining	R 0.00000	4.0%	R 0.00000	4.4%	R 0.00000	4.4%	R 0.00000
Public Benefit Org (Eg Church, Sport Body)	R 0.00000	4.0%	R 0.00000	4.4%	R 0.00000	4.4%	R 0.00000

### 1.3.2. Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity since demand growth outstrips supply. Consequently National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition, National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective.

A tariff increases of 4.3 per cent from 1 July 2025 for water is proposed. In addition 6 kℓ water per 30-day period will again be granted free of charge for all registered indigents.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

**Table 6: Proposed Water Tariffs**

WATER							
Households and Businesses							
Indigent households (0 kl - 6 kl)	R 0.00	0.0%	R 0.00	0.0%	R 0.00	0.0%	R 0.00
Consumption per kilolitre per monthly reading/estimate (0 kl - 6 kl)	R 6.04	4.3%	R 6.30	4.6%	R 6.59	4.4%	R 6.88
Consumption per kilolitre per monthly reading/estimate (7 kl - 15 kl)	R 6.04	4.3%	R 6.30	4.6%	R 6.59	4.4%	R 6.88
Consumption per kilolitre per monthly reading/estimate (16 kl - 30 kl)	R 8.17	4.3%	R 8.52	4.6%	R 8.91	4.4%	R 9.30
Consumption per kilolitre per monthly reading/estimate (31 kl - 50 kl)	R 10.12	4.3%	R 10.56	4.6%	R 11.05	4.4%	R 11.54
Consumption per kilolitre per monthly reading/estimate (51 kl and more)	R 12.25	4.3%	R 12.78	4.6%	R 13.37	4.4%	R 13.96

The above table shows the impact of the proposed increases in water tariffs on the water charges.

**1.3.3. Sale of Electricity and Impact of Tariff Increases**

NERSA proposed a 11.32% increase in electricity tariffs for the 2025/26 financial year.

Registered indigents will again be granted 50 kWh per 30-day period free of charge.

It should further be noted that NERSA has advised that a stepped tariff structure needs to be implemented from 1 July 2025. The effect thereof will be that the higher the consumption the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor).

**Table 7. Proposed Electricity Tariff Increase**

ELECTRICITY							
<b>Basic Levy in Rand</b>							
Indigent Registered (50 units free)	R 0.0000	11.3%	R 0.00	11.4%	R 0.00	12.6%	R 0.00
Residential Prepay	R 0.0000	11.3%	R 0.00	11.4%	R 0.00	12.6%	R 0.00
Household Tariff per month	R 176.5800	11.3%	R 196.57	11.4%	R 218.96	12.6%	R 246.55
Availability per year (Empty sites)	R 463.3900	11.3%	R 515.85	11.4%	R 574.61	12.6%	R 647.01
Three-phase & Small Business per month	R 483.5700	11.3%	R 538.31	11.4%	R 599.62	12.6%	R 675.17
Medium Users	R 1,711.4300	11.3%	R 1,905.16	11.4%	R 2,122.16	12.6%	R 2,389.55
<b>Units (energy) in Rand</b>							
Indigents per unit (50 units free)	R 0.0000	11.3%	R 0.00	11.4%	R 0.00	12.6%	R 0.00
Household pre-paid (no basic)	R 0.0000	11.3%	R 0.00	11.4%	R 0.00	12.6%	R 0.00
Three Phase & Commercial	R 2.8000	11.3%	R 3.12	11.4%	R 3.48	12.6%	R 3.92
Commercial Med users	R 1.7600	11.3%	R 1.96	11.4%	R 2.18	12.6%	R 2.45
Commercial Med users pre-paid	R 1.7600	11.3%	R 1.96	11.4%	R 2.18	12.6%	R 2.45
KVA in Rand	R 309.0200	11.3%	R 344.00	11.4%	R 383.18	12.6%	R 431.46
KVA Departmental Usage (Own) In Rand	R 309.0200	11.3%	R 344.00	11.4%	R 383.18	12.6%	R 431.46
Indigent pre-paid (50 units free)	R 0.0000	11.3%	R 0.00	11.4%	R 0.00	12.6%	R 0.00
Business pre-paid	R 2.8000	11.3%	R 3.12	11.4%	R 3.48	12.6%	R 3.92
Department Usage (Commercial)	R 2.8000	11.3%	R 3.12	11.4%	R 3.48	12.6%	R 3.92
Taung Taxi Tank Pre-Pay	R 2.8000	11.3%	R 3.12	11.4%	R 3.48	12.6%	R 3.92
Consumer Deposit (no deposit with prepay)	R 563.6000	11.3%	R 627.40	11.4%	R 698.86	12.6%	R 786.92
Business Deposit (or according to usage if>)	R 1,127.2000	11.3%	R 1,254.80	11.4%	R 1,397.72	12.6%	R 1,573.83
TEST METER (refundable if proven incorrect)	R 338.1600	11.3%	R 376.44	11.4%	R 419.32	12.6%	R 472.15

### 1.3.4. Sanitation and Impact of Tariff Increases

A tariff increases of five per cent for sanitation from 1 July 2025 is proposed. This is based on the input cost assumptions related to water. The following table compares the current and proposed tariff.

**Table 8. Proposed Sanitation Tariff Increase**

<b>SANITATION SERVICES</b>							
<b>New Connections</b>							
New connection	R 424.00	4.3%	R 442.23	4.6%	R 462.57	4.4%	R 482.92
<b>Availability fees</b>							
Monthly fee: Empty erven/houses/buildings not connected to network	R 318.00	4.3%	R 331.67	4.6%	R 346.93	4.4%	R 362.19
Yearly fee: Empty erven/houses/buildings not connected to network	R 2,120.00	4.3%	R 2,211.16	4.6%	R 2,312.87	4.4%	R 2,414.64
<b>Sewerage fees per month</b>							
Households for the first 4 flush units	R 67.20	4.3%	R 70.09	4.6%	R 73.31	4.4%	R 76.54
Households for every flush unit above 4 to maximum of an additional 5 flush units	R 74.20	4.3%	R 77.39	4.6%	R 80.95	4.4%	R 84.51
Sport clubs for the first 4 flush units	R 74.20	4.3%	R 77.39	4.6%	R 80.95	4.4%	R 84.51
Sport clubs for every flush unit above the first 4 flush units	R 106.00	4.3%	R 110.56	4.6%	R 115.65	4.4%	R 120.74
Church halls	R 175.13	4.3%	R 182.66	4.6%	R 191.06	4.4%	R 199.47
Early Learning Centres/Creche per flush unit	R 175.13	4.3%	R 182.66	4.6%	R 191.06	4.4%	R 199.47
Schools per flush unit	R 175.13	4.3%	R 182.66	4.6%	R 191.06	4.4%	R 199.47
Other premises: Per flush unit or 600mm urinal to a maximum of 50 flush units	R 180.20	4.3%	R 187.95	4.6%	R 196.60	4.4%	R 205.25
<b>Sewerage blockages</b>							
For the first hour or part thereof	R 230.44	4.3%	R 240.35	4.6%	R 251.41	4.4%	R 262.47
For every hour thereafter and part thereof	R 63.60	4.3%	R 66.33	4.6%	R 69.38	4.4%	R 72.43
<b>CESSPOOL SERVICES</b>							
Residential removal of sewerage from suction tank connected on the main sanitation line (per load)	R 67.20	4.3%	R 70.09	4.6%	R 73.31	4.4%	R 76.54
Business removal of sewerage from suction tank connected on the main sanitation line (per load)	R 74.20	4.3%	R 77.39	4.6%	R 80.95	4.4%	R 84.51
Removal of sewerage from suction tank within the 10km radius of the municipality (per load)	R 201.40	4.3%	R 210.06	4.6%	R 219.72	4.4%	R 229.39
Removal of sewerage from suction tank outside 10km radius (per load)	R 201.40	4.3%	R 210.06	4.6%	R 219.72	4.4%	R 229.39
Removal of sewerage from suction tank outside 10km radius (per kilometre)	R 10.60	4.3%	R 11.06	4.6%	R 11.57	4.4%	R 12.08

**1.3.5. Waste Removal and Impact of Tariff Increases**

A five per cent increase in the waste removal tariff is proposed from 1 July 2025. Any increase higher than five per cent would be counter-productive and will result in affordability challenges for individual rates payers raising the risk associated with bad debt.

**Table 9. Waste Removal Tariff Increase**

<b>REFUSE REMOVAL SERVICES</b>							
<b>Refuse removal fees per month (one removal per week unless otherwise indicated)</b>							
Residential Household	R 74.33	4.3%	R 77.53	4.6%	R 81.10	4.4%	R 84.67
Residential With additional flat	R 148.65	4.3%	R 155.04	4.6%	R 162.17	4.4%	R 169.31
Churches/Halls	R 75.73	4.3%	R 78.99	4.6%	R 82.62	4.4%	R 86.26
Sporting clubs	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Theatres	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Squatters with community toilets and water (all-inclusive tariff)	R 74.33	4.3%	R 77.53	4.6%	R 81.10	4.4%	R 84.67
Guest houses / Lodges (per room to a maximum of 10 rooms)	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Hotels (3 times per week)	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Old age homes and care centres	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Cafés, green grocers and restaurants (3 times per week)	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Hostels	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Hospitals	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Schools	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Shops, hardware stores and other businesses	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Chain stores and supermarkets (3 times per week)	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Banks, libraries, large offices and department offices	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Garages, workshops and spare part centres	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Factories	R 224.72	4.3%	R 234.38	4.6%	R 245.16	4.4%	R 255.95
Taxi rank (3 times per week)	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Offices	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Franchise restaurants (3 times per week)	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Tuck shops and taverns	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Exhaust centres	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Businesses on residential sites will be determined per type of business	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Shoprite, Spar and Pick & Pay (7 times per week)	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Special removal from businesses per load	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Centres will be based on number and type of businesses in centre	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Business standing empty	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Mass containers (1 m³) (Capital Cost R 1,100)	R 224.72	4.3%	R 234.38	4.6%	R 245.16	4.4%	R 255.95
Mass containers (8 m³) (Capital Cost R 12,000)	R 224.72	4.3%	R 234.38	4.6%	R 245.16	4.4%	R 255.95
Mass containers (18 m³) (Capital Cost R 32,000)	R 224.72	4.3%	R 234.38	4.6%	R 245.16	4.4%	R 255.95

REFUSE REMOVAL SERVICES							
Refuse removal per 240 Liter refuse bin (2 removals per week)	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Refuse removal per 240 Liter refuse bin (3 removals per week)	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Refuse removal per 240 Liter refuse bin (7 removals per week)	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Refundable deposit: All new business applications - relocations included	R 191.01	4.3%	R 199.22	4.6%	R 208.38	4.4%	R 217.55
Penalty for the removal of municipal refuse bins (240 Liter refuse bins) from any premises	R 224.72	4.3%	R 234.38	4.6%	R 245.16	4.4%	R 255.95

### 1.3.6. Overall impact of tariff increases on households

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

## 1.4. OPERATING EXPENDITURE FRAMEWORK

The expenditure framework for the 2025/2026 MTREF is informed by:

- balanced budget constraints where operating expenditure should not exceed operating revenue;
- funding of the budget over the medium term as informed by section 18 and 19 of the MFMA;
- the capital programme;
- repairs and maintenance;
- direct available financial resources towards meeting the projects as identified in the IDP;
- bulk purchases costs for electricity and water;
- eliminating spending on non-priority items.

The following table is a high-level summary of the 2025/26 budget and MTREF (classified per main type of operating expenditure):

**Table 10. Summary of operating expenditure by standard classification item**

NW394 Greater Taung - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	###	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Expenditure</b>											
Employee related costs	2	123 657	127 333	130 977	143 090	141 835	141 835	123 911	149 435	156 428	162 871
Remuneration of councillors		20 217	20 508	22 818	24 908	24 908	24 908	21 971	26 091	27 330	28 629
Bulk purchases - electricity	2	4 511	4 669	5 642	7 250	6 756	6 756	5 108	6 000	6 360	6 606
Inventory consumed	8	5 352	10 396	8 174	8 190	10 760	10 760	6 508	11 640	12 290	13 202
Debt impairment	3	-	-	-	5 000	5 000	5 000	-	-	-	-
Depreciation and amortisation		44 066	45 429	45 221	38 252	38 252	38 252	37 387	20 274	21 166	21 589
Interest		2 113	2 819	2 922	400	400	400	87	417	436	444
Contracted services		67 034	79 677	81 341	63 342	76 559	76 559	61 321	64 320	67 535	72 072
Transfers and subsidies		404	949	359	50	300	300	307	700	742	794
Irrecoverable debts written off		5 907	11 761	9 975	-	-	-	3 138	6 000	6 360	6 805
Operational costs		68 867	79 582	50 719	65 313	84 771	84 771	69 795	87 167	91 045	93 302
Losses on disposal of Assets		168	129	33	-	-	-	672	-	-	-
Other Losses		13	4 714	121	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>342 329</b>	<b>387 966</b>	<b>398 251</b>	<b>355 797</b>	<b>389 541</b>	<b>389 541</b>	<b>330 206</b>	<b>371 044</b>	<b>389 683</b>	<b>406 513</b>

### Employee Related Cost

Employee related costs increased from 142M to R149M, an increase of 4.75% (CPI plus 0.75%) this is as per bargaining council agreement.

### Councillor's Remuneration

The councillors' remuneration also increased from R24.9M to R26M. The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

### Depreciation

Depreciation increased from R38.2M to R20.3M, a decrease of R18M. The municipality has disposed of most of its yellow fleet and all R1 value assets that were incorrectly captured in the assets register. Most of the municipality’s infrastructure assets are fairly new.

### Bulk Purchases

According to NERSA tariffs for Eskom direct customers will increase by 12.74% effective from 1 April 2025 and tariffs for municipal bulk purchases will increase by 11.32% effective from 1 July 2025.

### Inventory consumed.

Inventory consumed increased from R10.7M to R11.6 due to correct mSCOA accounts mapping.

### Contracted Services

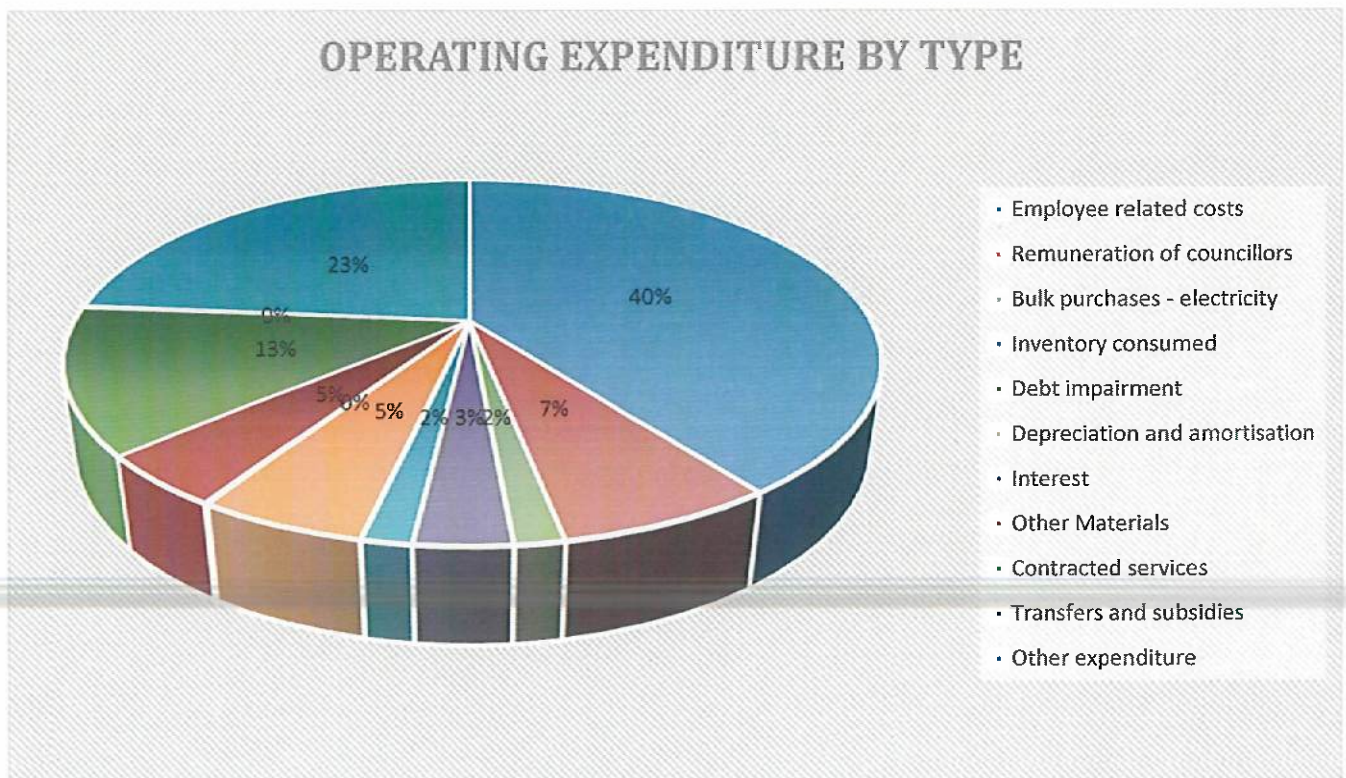
Repairs and maintenance decreased by 18%, from R20.3M to R16.8M

Consultancy and professional services decreased by 20%, from R60M to R48M

### Other Expenditure

Other Expenditure increased from R84.5M to R87M.

**Chart 2: Expenditure by type**



## Overall expenditure budget

The provision of debt impairment for the 2025/26 financial year equates to R6 000 000. While this expenditure is considered to be a non-cash flow item it informed the total cost associated with rendering the services of the municipality this relates to the amounts that the municipality considers might not be recovered from the consumers due to non-payments of the services as well as the municipality's realistically anticipated revenues. Debt impairment budget was done based on prior period information i.e. prior audited financial statements however due to improved debt collection strategies improved collection rate in the current year and the appointment of the municipal debt collector it is expected that the final budget will possibly reflect a lower provision of debt impairment the budgeting for this line item will be reviewed will possibly significantly decrease the anticipated deficit.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R39 897 000 for the 2025/26 financial and equates to 10 per cent of the total operating expenditure.

Finance charges consist primarily of the repayment of interest on finance leases; interests on landfill sites; interest on post-employment (current and non-current) and interest on overdue accounts. Finance charges make up one per cent (R417 000) of operating expenditure.

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions.

Other materials comprise of amongst others the purchase of fuel diesel materials for maintenance and cleaning materials. In line with the Municipality's repairs and maintenance plan this group of expenditure has been prioritised to ensure sustainability of the Municipality's infrastructure.

Contracted services is made up of business advisory (consultants); repairs and maintenance and catering.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved.

The following table gives a breakdown of the main expenditure categories for the 2025/26 financial year.

Employee related costs is the largest contributor of the total operating expenditure budget, followed by general expenditure and contracted services.

These are essential for day-to-day running of the municipality; thus, the municipality retained them as they are.

**1.5. CAPITAL EXPENDITURE**

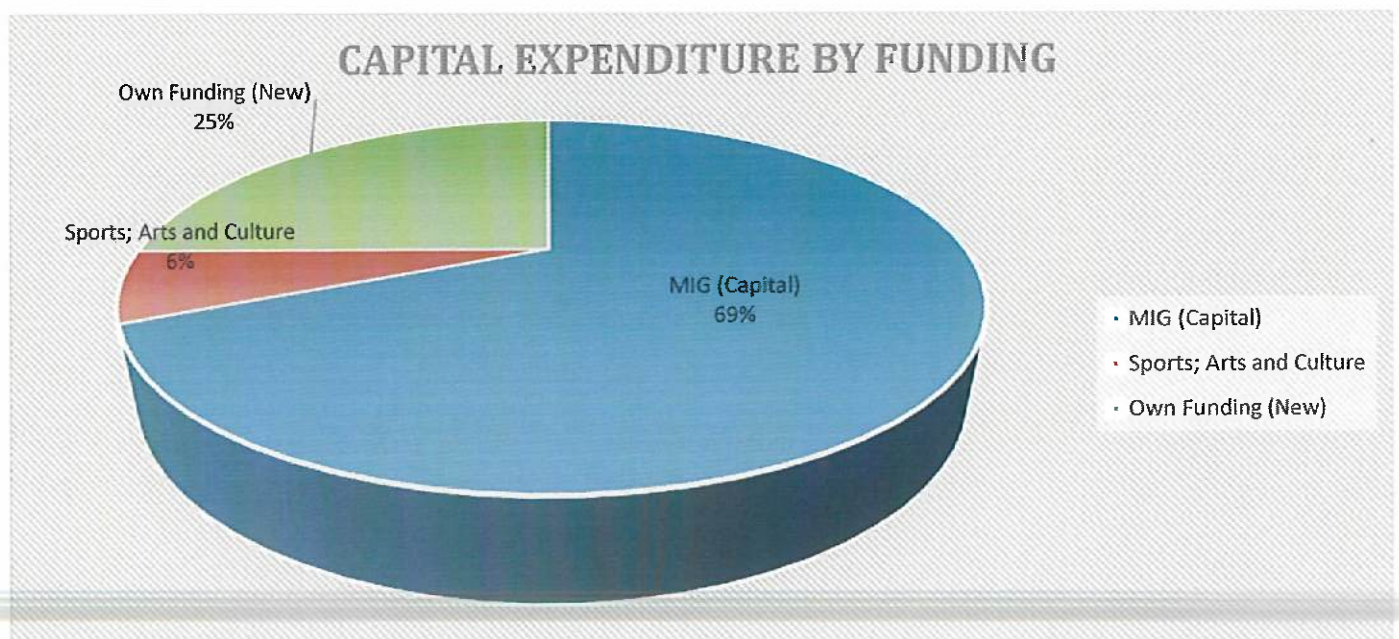
The capital amount proposed for 2025/26 amounts to R81 016 000. Greater Taung Local Municipality mainly spends its capital expenditure on infrastructure services and for the 2025/26 financial year 69% of the capital budget is allocated to the Infrastructure Department.

**Table 11. Capital Expenditure**

**NW394 Greater Taung - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding**

Vote Description	R thousand	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		5 615	6 852	3 948	2 750	6 700	6 700	3 726	15 050	15 200	15 429
Executive and council		1 443	584	-	-	250	250	1 923	200	202	205
Finance and administration		4 167	6 268	3 948	2 750	6 450	6 450	1 803	14 850	14 998	15 223
Internal audit		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		38 740	9 896	733	20 145	19 951	19 951	10 404	8 661	8 274	-
Community and social services		(1 467)	358	29	10 065	10 065	10 065	2 347	5 000	8 274	-
Sport and recreation		40 207	9 538	704	10 080	9 886	9 886	8 057	3 661	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		71 137	26 008	40 538	33 172	35 066	35 066	30 306	40 313	25 446	68 459
Planning and development		1 612	-	1 452	-	-	-	4	700	707	718
Road transport		69 526	26 008	39 085	33 172	35 066	35 066	30 301	39 613	24 739	67 741
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		18 913	14 408	12 001	16 533	14 833	14 833	9 667	16 972	32 009	40
Energy services		18 789	7 140	8 135	6 700	6 700	6 700	3 218	-	-	40
Water management		70	-	-	-	-	-	-	-	-	-
Waste water management		-	7 267	3 866	9 833	7 833	7 833	6 249	16 972	32 009	-
Waste management		54	-	-	250	250	250	222	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	<b>3</b>	<b>134 405</b>	<b>57 164</b>	<b>57 220</b>	<b>72 600</b>	<b>76 550</b>	<b>76 550</b>	<b>54 123</b>	<b>81 016</b>	<b>89 930</b>	<b>83 928</b>

**Chart 2: Capital Expenditure by funding**



1.5.1. Municipal Infrastructure Grant Capital Expenditure

Table 12. Municipal Infrastructure Grant Capital Expenditure Budget

Description R thousand '000	2025/26 Medium Term Revenue & Expenditure Framework		
	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Construction of Matlhako 2 Access Road (Multi-Year): 2km	5,000	3,200	–
Construction of Khaukwe Road and Stormwater (Multi-Year): 1km	5,800	8,000	–
Construction of Shaleng Access Road (Multi-Year): 2km	5,000	8,000	–
Construction of Majaneng Access Road (Multi-Year): 2km	5,000	8,274	–
Rietfontein Storm-water Management (Multi-Year): 2km	6,172	8,009	–
Closure of Pudimce Land-fill site	3,146	–	–
Installation of 24 solar High-mast Lights in Various wards	13,920	3,393	15,000
Refurbishment of Mokassa 1 and Sekhing Sports facility	5,000	–	3,526
Construction of Vaaltyn Access Road	3,681	–	–
Construction of Seoding Access road	3,578	–	–
Construction of Tlapeng 2 Access Road	4,369	--	–
Construction of Mase Access road	–	4,500	9,500
Construction of Magogong Central Access Road	–	4,500	9,500
Construction of Lethwanyeng Access road	–	4,500	9,500
Construction of Moiswaeding Storm-water Channel	–	4,000	8,000
Construction of Tamasikwa Multi-purpose Centre	--	4,000	8,000
<b>Totals</b>	<b>60,666</b>	<b>60,376</b>	<b>63,026</b>

1.5.2. Own Funding Capital Expenditure

Table 13. Own Funding Capital Expenditure

R thousand '000	Description	2025/26 Medium Term Revenue & Expenditure Framework		
		Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
	Computer Equipment	300	303	308
	Office Furniture	200	202	205
	Complete construction of 3 km road at Pudomoe Township	3,000	3,030	3,075
	Office Space	1,500	1,515	1,538
	Boardroom Furniture	200	202	205
	Sewer Tanker	1,600	1,616	1,640
	Tractor	500	505	513
	Slasher	300	303	308
	Office furniture	500	505	513
	Bakkie for parks	700	707	718
	Parks machinery Parks	250	253	256
	Machinery Maintenance	400	404	410
	Tipper Truck	1,600	1,616	1,640
	11kv Line	4,000	4,040	4,101
	Jojo Tanks X5	100	101	103
	Mobile Sewer Pumps X5	1,500	1,515	1,538
	Network Infrastructure and Telephone	2,500	2,525	2,563
	CCTV	450	455	461
	Transfer station	750	758	769
	<b>Totals</b>	<b>20,350</b>	<b>20,554</b>	<b>20,862</b>

1.6. ANNUAL BUDGET TABLES - PARENT MUNICIPALITY

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality’s 2025/26 budget and MTREF as approved by the Council.

NW394 Greater Taung - Table A1 Budget Summary

Description	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	26 214	29 593	31 027	45 939	45 939	45 939	45 939	39 048	40 801	41 821
Service charges	11 770	11 830	12 207	20 150	20 150	20 150	20 150	16 355	17 090	17 517
Investment revenue	6 176	6 577	6 704	10 480	10 480	10 480	10 480	8 000	8 359	8 568
Transfer and subsidies - Operational	218 225	241 659	254 010	266 922	266 922	266 922	266 922	265 257	264 110	276 493
Other own revenue	4 405	8 510	7 633	16 173	16 173	16 173	16 173	43 462	45 088	45 549
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>266 790</b>	<b>298 568</b>	<b>311 531</b>	<b>359 664</b>	<b>359 664</b>	<b>359 664</b>	<b>359 664</b>	<b>372 122</b>	<b>375 443</b>	<b>390 858</b>
<b>Capital expenditure</b>										
Employee costs	123 657	127 333	130 977	143 085	141 835	141 835	141 835	148 435	156 428	162 871
Remuneration of councillors	20 217	20 508	22 818	24 908	24 908	24 908	24 908	26 091	27 330	28 629
Depreciation and amortisation	44 085	45 429	45 221	38 252	38 252	38 252	38 252	20 274	21 166	21 589
Interest	2 113	2 819	2 922	400	400	400	400	417	436	444
Inventory consumed and bulk purchases	9 852	15 065	13 817	15 446	17 516	17 516	17 516	17 640	18 640	20 037
Transfers and subsidies	404	949	309	50	300	300	300	700	742	794
Other expenditure	141 989	175 862	192 189	133 655	166 330	166 330	166 330	157 487	164 941	172 178
<b>Total Expenditure</b>	<b>342 329</b>	<b>387 956</b>	<b>398 251</b>	<b>355 797</b>	<b>389 541</b>	<b>389 541</b>	<b>389 541</b>	<b>371 044</b>	<b>389 683</b>	<b>405 513</b>
<b>Surplus/(Deficit)</b>	<b>(75 539)</b>	<b>(89 397)</b>	<b>(86 670)</b>	<b>3 867</b>	<b>(29 877)</b>	<b>(29 877)</b>	<b>(29 877)</b>	<b>1 078</b>	<b>(14 235)</b>	<b>(15 655)</b>
Transfers and subsidies - capital (monetary allocations)	43 843	48 387	50 256	69 600	69 600	69 600	64 844	60 666	60 376	63 026
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(31 696)</b>	<b>(41 030)</b>	<b>(36 414)</b>	<b>73 467</b>	<b>39 724</b>	<b>39 724</b>	<b>24 967</b>	<b>61 744</b>	<b>46 142</b>	<b>47 371</b>
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(31 696)</b>	<b>(41 030)</b>	<b>(36 414)</b>	<b>73 467</b>	<b>39 724</b>	<b>39 724</b>	<b>24 967</b>	<b>61 744</b>	<b>46 142</b>	<b>47 371</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>134 426</b>	<b>57 164</b>	<b>57 220</b>	<b>72 600</b>	<b>76 550</b>	<b>76 550</b>	<b>54 123</b>	<b>81 016</b>	<b>80 930</b>	<b>83 928</b>
Transfers recognised - capital	70 347	25 778	34 040	69 609	69 600	69 600	49 258	60 666	60 376	63 065
Borrowing	-	-	-	-	-	-	-	-	-	-
Informally generated funds	63 365	31 386	23 179	3 000	6 950	6 950	4 857	20 350	20 553	20 862
<b>Total sources of capital funds</b>	<b>133 712</b>	<b>57 164</b>	<b>57 220</b>	<b>72 600</b>	<b>76 550</b>	<b>76 550</b>	<b>54 123</b>	<b>81 016</b>	<b>80 930</b>	<b>83 928</b>
<b>Financial position</b>										
Total current assets	142 380	120 509	74 260	144 123	75 577	75 577	112 291	7 090	(33 575)	(91 310)
Total non current assets	778 428	788 182	796 985	825 129	834 443	834 448	810 001	856 892	916 586	978 995
Total current liabilities	82 049	102 751	87 730	90 564	88 543	88 543	84 435	20 480	(6 563)	(48 330)
Total non current liabilities	35 573	34 809	48 915	34 455	45 921	45 921	45 915	45 921	45 921	45 921
Community wealth/Equity	802 085	761 572	734 447	843 821	775 561	775 561	791 918	797 582	843 723	891 064
<b>Cash flows</b>										
Net cash from (used) operating	124 502	140 725	128 700	100 661	65 917	66 917	66 917	(200 453)	(174 380)	(248 967)
Net cash from (used) investing	(80 440)	(57 350)	(52 871)	(72 600)	(76 550)	(76 550)	(76 550)	2 000	2 050	2 142
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>188 128</b>	<b>165 374</b>	<b>123 612</b>	<b>75 843</b>	<b>10 627</b>	<b>10 627</b>	<b>10 627</b>	<b>(178 203)</b>	<b>(350 492)</b>	<b>(695 318)</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available:	82 039	47 783	20 260	75 943	10 727	10 727	54 014	(46 800)	(52 309)	(148 550)
Total Application of cash and investments:	(57 834)	(47 507)	(55 225)	(58 311)	(57 023)	(57 023)	138 367	(126 521)	(150 605)	(197 136)
<b>Balance - surplus (shortfall)</b>	<b>139 874</b>	<b>95 390</b>	<b>75 486</b>	<b>134 254</b>	<b>67 750</b>	<b>67 750</b>	<b>(84 343)</b>	<b>79 712</b>	<b>64 295</b>	<b>48 636</b>
<b>Asset management</b>										
Asset register summary (WDV)	741 177	743 688	765 724	711 099	755 368	755 368	755 368	786 681	786 069	785 342
Depreciation	44 085	45 429	45 221	38 252	38 252	38 252	38 252	20 274	21 166	21 589
Renewal and Upgrading of Existing Assets	54	-	5 531	35 282	36 637	36 637	36 637	22 428	11 200	63 026
Repairs and Maintenance	22 539	29 495	27 346	10 930	16 541	16 541	16 541	17 210	18 242	19 515
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	4 297	3 182	2 959	7 757	7 757	7 757	7 757	6 591	6 887	7 059
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

GREATER TAUNG LOCAL MUNICIPALITY FINAL ANNUAL BUDGET 2025/26 – 2027/28 MTREF

NW394 Greater Taung - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	R thousand	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		249 843	278 156	290 240	329 522	329 522	329 522	346 157	347 990	362 070
Executive and council		212 445	234 185	245 386	257 199	257 199	257 199	259 808	258 050	269 525
Finance and administration		37 398	43 971	44 844	72 323	72 323	72 323	86 349	89 940	92 545
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		16 460	20 163	51 170	65 764	65 764	65 764	62 758	62 983	66 319
Community and social services		998	979	890	2 492	2 492	2 492	1 636	2 130	2 805
Sport and recreation		15 462	19 184	50 281	63 272	63 272	63 272	61 122	60 853	63 514
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		24 095	26 601	5 573	4 679	4 679	4 679	4 963	5 092	5 241
Planning and development		67	2 589	2 536	2 964	2 964	2 964	3 121	3 377	3 526
Road transport		24 028	24 012	3 037	1 715	1 715	1 715	1 842	1 715	1 715
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		20 235	22 015	14 854	29 300	29 300	29 300	18 910	19 759	20 253
Energy sources		9 880	11 227	3 878	13 541	13 541	13 541	5 096	5 314	5 447
Water management		1 541	1 716	1 508	2 439	2 439	2 439	2 277	2 379	2 438
Waste water management		3 688	3 863	3 766	5 533	5 533	5 533	4 388	4 685	4 699
Waste management		5 126	5 209	5 702	7 786	7 786	7 766	7 160	7 482	7 669
Other	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	310 633	346 935	361 838	429 264	429 264	429 264	432 788	435 825	453 894
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		216 141	230 551	232 007	205 035	222 488	222 488	220 007	230 399	241 306
Executive and council		106 982	120 669	129 355	122 616	127 323	127 323	121 899	127 914	134 469
Finance and administration		109 159	109 883	102 652	82 419	95 165	95 165	98 108	102 485	106 836
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		15 184	24 981	13 940	25 286	22 353	22 353	26 733	21 731	22 711
Community and social services		11 775	20 049	9 736	4 442	5 419	5 419	4 472	4 691	4 910
Sport and recreation		3 409	4 932	4 009	19 785	16 035	16 035	14 848	15 559	16 259
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	196	1 060	900	900	1 414	1 481	1 551
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		51 820	60 321	56 023	51 483	51 576	51 576	44 119	46 220	48 279
Planning and development		13 274	20 107	20 821	13 469	16 009	16 009	13 979	14 654	15 403
Road transport		38 655	40 214	35 202	38 014	35 567	35 567	30 140	31 568	32 877
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		59 175	71 749	96 271	73 593	92 723	92 723	85 787	90 897	93 769
Energy sources		26 631	38 685	45 640	42 155	55 255	55 255	51 495	54 012	56 062
Water management		7 490	6 439	7 095	4 098	5 298	5 298	3 889	4 092	4 322
Waste water management		6 527	6 374	5 808	10 711	11 911	11 911	9 847	11 276	10 860
Waste management		18 538	20 851	37 728	16 629	20 259	20 259	20 537	21 517	22 596
Other	4	-	363	10	400	400	400	418	436	447
<b>Total Expenditure - Functional</b>	3	342 329	387 966	398 251	355 797	389 541	389 541	371 044	389 683	406 513
<b>Surplus/(Deficit) for the year</b>		(31 696)	(41 030)	(36 414)	73 467	39 724	39 724	61 744	46 142	47 371

GREATER TAUNG LOCAL MUNICIPALITY FINAL ANNUAL BUDGET 2025/26 – 2027/28 MTREF

NW394 Greater Taung - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	###	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Revenue by Vote</b>										
Vote 1 - Community and Social Services	1	16 460	20 163	51 170	65 764	65 764	65 764	62 758	62 983	66 319
Vote 2 - Energy Sources		9 890	11 227	3 878	13 541	13 541	13 541	5 036	5 314	5 447
Vote 3 - Executive and Council		212 445	234 186	245 396	257 199	257 199	257 199	259 808	258 050	269 525
Vote 4 - Finance and Administration		37 398	43 971	44 844	72 323	72 323	72 323	86 349	89 940	92 545
Vote 5 - Planning and Development		67	2 589	2 536	2 964	2 964	2 964	3 121	3 377	3 526
Vote 6 - Road Transport		24 028	24 012	3 037	1 715	1 715	1 715	1 842	1 715	1 715
Vote 7 - Sports and Recreation		-	-	-	-	-	-	-	-	-
Vote 8 - Waste Management		5 126	5 269	5 702	7 786	7 786	7 786	7 160	7 482	7 669
Vote 9 - Waste Water Management		3 688	3 863	3 766	5 533	5 533	5 533	4 338	4 585	4 669
Vote 10 - Water Management		1 541	1 716	1 508	2 439	2 439	2 439	2 277	2 379	2 438
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>2</b>	<b>310 633</b>	<b>346 935</b>	<b>361 836</b>	<b>429 264</b>	<b>429 264</b>	<b>429 264</b>	<b>432 788</b>	<b>435 825</b>	<b>453 884</b>
<b>Expenditure by Vote to be appropriated</b>										
Vote 1 - Community and Social Services	1	15 093	25 320	13 705	25 487	22 554	22 554	20 943	21 949	22 930
Vote 2 - Energy Sources		26 631	33 085	45 640	42 155	55 255	55 255	51 455	54 012	56 082
Vote 3 - Executive and Council		106 982	129 669	129 355	122 616	127 323	127 323	121 889	127 914	134 469
Vote 4 - Finance and Administration		109 159	109 883	102 652	82 419	95 165	95 165	98 108	102 435	106 836
Vote 5 - Planning and Development		13 274	20 167	20 821	13 469	16 009	16 009	13 979	14 654	15 403
Vote 6 - Road Transport		38 555	40 214	35 202	38 014	35 567	35 567	30 140	31 566	32 877
Vote 7 - Sports and Recreation		91	25	246	199	199	199	208	218	228
Vote 8 - Waste Management		18 533	20 851	37 728	16 629	20 259	20 259	20 537	21 517	22 506
Vote 9 - Waste Water Management		6 527	6 374	6 808	10 711	11 911	11 911	9 847	11 276	10 850
Vote 10 - Water Management		7 480	6 439	7 095	4 098	5 298	5 298	3 883	4 022	4 322
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>342 329</b>	<b>387 966</b>	<b>398 251</b>	<b>355 797</b>	<b>389 541</b>	<b>389 541</b>	<b>371 044</b>	<b>389 683</b>	<b>406 513</b>
<b>Surplus/(Deficit) for the year</b>	<b>2</b>	<b>(31 696)</b>	<b>(41 030)</b>	<b>(36 414)</b>	<b>73 467</b>	<b>39 724</b>	<b>39 724</b>	<b>61 744</b>	<b>46 142</b>	<b>47 371</b>

GREATER TAUNG LOCAL MUNICIPALITY FINAL ANNUAL BUDGET 2025/26 – 2027/28 MTREF

NW394 Greater Taung - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	###	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	3 592	3 455	3 069	6 825	6 826	6 826	3 539	5 072	5 300	5 432
Service charges - Water	2	1 199	1 297	1 047	1 870	1 870	1 870	840	1 683	1 759	1 803
Service charges - Waste Water Management	2	2 862	2 952	2 891	4 725	4 725	4 725	2 959	3 544	3 703	3 798
Service charges - Waste Management	2	4 119	4 135	4 601	6 729	6 729	6 729	4 562	6 056	6 328	6 486
Sale of Goods and Rendering of Services		623	682	911	1 190	1 190	1 190	579	6 512	6 804	6 974
Agency services		178	185	105	400	400	490	-	418	436	447
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		2 423	2 829	2 691	2 894	2 894	2 894	2 199	3 021	3 157	3 236
Interest earned from Current and Non Current Assets		6 176	6 577	6 704	10 490	10 490	10 490	6 509	8 000	8 359	8 568
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		290	399	419	367	367	367	506	383	490	410
Licence and permits		-	-	-	-	-	-	-	1 308	1 367	1 401
Special Rating Levies		-	-	-	-	-	-	-	-	-	-
Operational Revenue		212	392	216	8 453	8 453	8 453	9 307	28 825	29 794	30 872
<b>Non-Exchange Revenue</b>											
Property rates	2	26 214	29 993	31 027	45 939	45 939	45 939	23 685	39 048	40 801	41 821
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-
Licences or permits		-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		218 225	241 659	254 010	266 922	266 922	266 922	272 404	266 257	264 110	276 493
Interest		1 241	1 113	1 171	2 869	2 869	2 869	1 103	2 996	3 130	3 208
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		(562)	-	-	-	-	-	3 653	-	-	-
Other Gains		-	2 923	2 121	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>266 799</b>	<b>298 568</b>	<b>311 581</b>	<b>359 664</b>	<b>359 664</b>	<b>359 664</b>	<b>338 810</b>	<b>372 122</b>	<b>375 448</b>	<b>390 858</b>
<b>Expenditure</b>											
Employee related costs	2	123 667	127 333	130 977	143 085	141 856	141 835	123 911	148 435	158 428	162 871
Remuneration of councillors		20 217	20 509	22 818	24 908	24 908	24 908	21 971	26 091	27 330	28 629
Bulk purchases - electricity	2	4 511	4 669	5 642	7 255	6 756	6 756	6 108	6 000	6 360	6 806
Inventory consumed	8	5 352	19 396	8 174	8 190	10 760	10 760	6 508	11 640	12 280	13 202
Debt impairment	3	-	-	-	5 000	5 000	5 000	-	-	-	-
Depreciation and amortisation		44 086	45 429	45 221	39 252	38 252	38 252	37 387	20 274	21 166	21 589
Interest		2 113	2 819	2 922	400	400	400	87	417	436	444
Contracted services		67 034	79 577	81 341	53 342	76 559	76 559	61 321	64 320	67 536	72 072
Transfers and subsidies		404	949	309	50	300	300	307	700	742	794
Irrecoverable debts written off		5 507	11 761	9 975	-	-	-	3 198	6 000	6 350	6 806
Operational costs		68 667	79 682	90 718	65 313	84 771	84 771	69 796	87 187	91 045	93 302
Losses on disposal of Assets		168	129	33	-	-	-	672	-	-	-
Other Losses		13	4 714	121	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>342 329</b>	<b>387 966</b>	<b>398 251</b>	<b>355 797</b>	<b>369 541</b>	<b>369 541</b>	<b>338 206</b>	<b>371 044</b>	<b>389 683</b>	<b>406 513</b>
<b>Surplus/(Deficit)</b>		<b>(75 539)</b>	<b>(89 397)</b>	<b>(86 670)</b>	<b>3 867</b>	<b>(29 877)</b>	<b>(29 877)</b>	<b>605</b>	<b>1 078</b>	<b>(14 235)</b>	<b>(15 655)</b>
Transfers and subsidies - capital (monetary allocations)	6	43 843	48 387	50 256	59 609	69 600	69 600	54 844	60 666	60 376	63 026
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(31 696)</b>	<b>(41 030)</b>	<b>(36 414)</b>	<b>73 467</b>	<b>39 724</b>	<b>39 724</b>	<b>55 449</b>	<b>61 744</b>	<b>46 142</b>	<b>47 371</b>
Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>(31 696)</b>	<b>(41 030)</b>	<b>(36 414)</b>	<b>73 467</b>	<b>39 724</b>	<b>39 724</b>	<b>55 449</b>	<b>61 744</b>	<b>46 142</b>	<b>47 371</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(31 696)</b>	<b>(41 030)</b>	<b>(36 414)</b>	<b>73 467</b>	<b>39 724</b>	<b>39 724</b>	<b>55 449</b>	<b>61 744</b>	<b>46 142</b>	<b>47 371</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	7	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>(31 696)</b>	<b>(41 030)</b>	<b>(36 414)</b>	<b>73 467</b>	<b>39 724</b>	<b>39 724</b>	<b>55 449</b>	<b>61 744</b>	<b>46 142</b>	<b>47 371</b>

GREATER TAUNG LOCAL MUNICIPALITY FINAL ANNUAL BUDGET 2025/26 – 2027/28 MTREF

NW394 Greater Taung - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	###	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>	<b>1</b>										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	<b>2</b>										
Vote 1 - Community and Social Services		-	-	-	-	-	-	-	-	-	-
Vote 2 - Energy Sources		-	-	-	-	-	-	-	-	-	-
Vote 3 - Executive and Council		-	-	-	-	-	-	-	-	-	-
Vote 4 - Finance and Administration		-	-	-	-	-	-	-	-	-	-
Vote 5 - Planning and Development		-	-	-	-	-	-	-	-	-	-
Vote 6 - Road Transport		-	-	-	-	-	-	-	-	-	-
Vote 7 - Sports and Recreation		-	-	-	-	-	-	-	-	-	-
Vote 8 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 9 - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Vote 10 - Water Management		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	<b>7</b>										
<b>Single-year expenditure to be appropriated</b>	<b>2</b>										
Vote 1 - Community and Social Services		38 228	9 896	733	20 145	19 951	19 951	-	8 681	9 274	-
Vote 2 - Energy Sources		18 789	7 140	8 135	6 700	6 700	6 700	-	-	-	49
Vote 3 - Executive and Council		1 448	584	-	-	250	250	-	200	202	206
Vote 4 - Finance and Administration		4 167	6 268	3 948	2 750	6 450	6 450	-	14 850	14 998	15 223
Vote 5 - Planning and Development		1 612	-	1 452	-	-	-	-	700	707	718
Vote 6 - Road Transport		69 526	33 276	42 561	42 758	42 949	42 949	-	56 585	56 748	67 741
Vote 7 - Sports and Recreation		512	-	-	-	-	-	-	-	-	-
Vote 8 - Waste Management		54	-	-	250	250	250	-	-	-	-
Vote 9 - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Vote 10 - Water Management		70	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>134 405</b>	<b>57 164</b>	<b>57 220</b>	<b>72 600</b>	<b>76 550</b>	<b>76 550</b>	<b>-</b>	<b>81 016</b>	<b>80 930</b>	<b>83 928</b>
<b>Total Capital Expenditure - Vote</b>		<b>134 405</b>	<b>57 164</b>	<b>57 220</b>	<b>72 600</b>	<b>76 550</b>	<b>76 550</b>	<b>-</b>	<b>81 016</b>	<b>80 930</b>	<b>83 928</b>
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		<b>5 615</b>	<b>6 852</b>	<b>3 948</b>	<b>2 750</b>	<b>6 700</b>	<b>6 700</b>	<b>3 726</b>	<b>15 050</b>	<b>15 200</b>	<b>15 429</b>
Executive and council		1 448	584	-	-	250	250	1 928	200	202	206
Finance and administration		4 167	6 268	3 948	2 750	6 450	6 450	1 803	14 850	14 998	15 223
Internal audit		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>38 740</b>	<b>9 896</b>	<b>733</b>	<b>20 145</b>	<b>19 951</b>	<b>19 951</b>	<b>10 404</b>	<b>8 681</b>	<b>8 274</b>	<b>-</b>
Community and social services		(1 467)	358	29	10 065	10 065	10 065	2 347	5 000	8 274	-
Sport and recreation		40 207	9 538	704	10 080	9 886	9 886	8 057	3 681	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>71 137</b>	<b>26 098</b>	<b>40 538</b>	<b>33 172</b>	<b>35 066</b>	<b>35 066</b>	<b>30 306</b>	<b>40 313</b>	<b>25 446</b>	<b>68 459</b>
Planning and development		1 612	-	1 452	-	-	-	4	700	707	718
Road transport		69 526	26 038	39 085	33 172	35 066	35 066	30 301	39 613	24 739	67 741
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>18 913</b>	<b>14 408</b>	<b>12 001</b>	<b>16 533</b>	<b>14 833</b>	<b>14 833</b>	<b>9 687</b>	<b>16 972</b>	<b>32 009</b>	<b>40</b>
Energy sources		18 789	7 140	8 135	6 700	6 700	6 700	3 216	-	-	40
Water management		70	-	-	-	-	-	-	-	-	-
Waste water management		-	7 267	3 866	9 500	7 883	7 883	6 249	16 972	32 009	-
Waste management		54	-	-	250	250	250	222	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	<b>3</b>	<b>134 405</b>	<b>57 164</b>	<b>57 220</b>	<b>72 600</b>	<b>76 550</b>	<b>76 550</b>	<b>54 123</b>	<b>81 016</b>	<b>80 930</b>	<b>83 928</b>
<b>Funded by:</b>											
National Government		70 347	25 429	34 012	69 535	69 535	69 535	49 238	60 666	60 376	63 066
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)		-	349	29	65	65	65	29	-	-	-
<b>Transfers recognised - capital</b>	<b>4</b>	<b>70 347</b>	<b>25 778</b>	<b>34 040</b>	<b>69 600</b>	<b>69 600</b>	<b>69 600</b>	<b>49 266</b>	<b>60 666</b>	<b>60 376</b>	<b>63 066</b>
<b>Borrowing</b>	<b>6</b>										
Internally generated funds		63 358	31 386	23 179	3 000	6 950	6 950	4 857	20 350	20 553	20 862
<b>Total Capital Funding</b>	<b>7</b>	<b>133 712</b>	<b>57 164</b>	<b>57 220</b>	<b>72 600</b>	<b>76 550</b>	<b>76 550</b>	<b>54 123</b>	<b>81 016</b>	<b>80 930</b>	<b>83 928</b>

GREATER TAUNG LOCAL MUNICIPALITY FINAL ANNUAL BUDGET 2025/26 – 2027/28 MTREF

NW394 Greater Taung - Table A6 Budgeted Financial Position

Description	Unit	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>ASSETS</b>											
<b>Current assets</b>											
Cash and cash equivalents		62 039	47 783	20 260	75 943	10 727	10 727	54 014	(46 809)	(92 309)	(148 560)
Trade and other receivables from exchange transactions	1	3 239	3 838	(11 116)	(7 524)	8 389	8 389	(10 620)	3 698	4 332	2 592
Receivables from non-exchange transactions	1	17 482	17 605	17 922	24 495	9 266	9 266	19 747	3 007	7 149	7 395
Current portion of non-current receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	482	877	743	877	743	743	2 178	743	801	801
VAT		39 137	50 399	45 444	50 324	45 444	46 444	46 956	45 444	46 444	46 444
Other current assets		(7)	7	7	7	7	7	7	7	7	7
<b>Total current assets</b>		<b>142 369</b>	<b>120 509</b>	<b>74 260</b>	<b>144 123</b>	<b>75 577</b>	<b>75 577</b>	<b>112 291</b>	<b>7 999</b>	<b>(33 575)</b>	<b>(91 310)</b>
<b>Non current assets</b>											
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		12 657	10 799	12 788	12 579	12 788	12 788	12 788	12 788	12 788	12 788
Property, plant and equipment	3	763 139	775 629	782 209	810 592	820 671	820 671	797 019	843 116	932 980	956 219
Biological assets		-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-
Intangible assets		2 722	1 657	983	1 857	983	983	194	983	983	983
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>778 426</b>	<b>788 182</b>	<b>795 995</b>	<b>825 128</b>	<b>834 468</b>	<b>834 468</b>	<b>810 901</b>	<b>856 892</b>	<b>916 656</b>	<b>978 995</b>
<b>TOTAL ASSETS</b>		<b>920 795</b>	<b>908 691</b>	<b>870 255</b>	<b>969 251</b>	<b>910 045</b>	<b>910 045</b>	<b>923 192</b>	<b>864 891</b>	<b>817 911</b>	<b>887 685</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft		-	-	-	-	-	-	-	-	-	-
Financial liabilities		7	7	7	7	-	-	7	-	-	-
Consumer deposits		141	155	202	155	202	202	247	202	202	202
Trade and other payables from exchange transactions	4	35 314	41 108	43 726	41 583	43 972	43 972	23 574	43 932	55 355	39 514
Trade and other payables from non-exchange transactions	5	1 568	5 701	1 902	2 431	1 902	1 902	17 911	(66 121)	(134 587)	(131 513)
Provision		14 855	14 855	(574)	104	1 722	1 722	1 143	1 722	1 722	1 722
VAT		29 329	40 245	40 745	46 705	40 745	40 745	41 543	40 745	40 745	40 745
Other current liabilities		434	673	1 722	-	-	-	-	-	-	-
<b>Total current liabilities</b>		<b>82 649</b>	<b>102 751</b>	<b>87 730</b>	<b>96 964</b>	<b>88 543</b>	<b>88 543</b>	<b>84 435</b>	<b>29 489</b>	<b>(6 563)</b>	<b>(49 339)</b>
<b>Non current liabilities</b>											
Financial liabilities	6	(7)	(7)	(7)	(7)	-	-	(7)	-	-	-
Provision	7	17 708	18 402	27 708	16 258	27 708	27 708	27 708	27 708	27 708	27 708
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		18 214	18 214	18 214	18 214	18 214	18 214	18 214	18 214	18 214	18 214
<b>Total non current liabilities</b>		<b>35 573</b>	<b>34 609</b>	<b>45 915</b>	<b>34 465</b>	<b>45 921</b>	<b>45 921</b>	<b>45 915</b>	<b>45 921</b>	<b>45 921</b>	<b>45 921</b>
<b>TOTAL LIABILITIES</b>		<b>118 222</b>	<b>137 360</b>	<b>133 645</b>	<b>131 429</b>	<b>134 464</b>	<b>134 464</b>	<b>130 350</b>	<b>75 410</b>	<b>38 358</b>	<b>(3 400)</b>
<b>NET ASSETS</b>		<b>802 573</b>	<b>771 331</b>	<b>736 610</b>	<b>837 822</b>	<b>775 581</b>	<b>775 581</b>	<b>792 842</b>	<b>789 481</b>	<b>779 553</b>	<b>891 085</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated surplus/(deficit)	8	897 387	856 687	829 563	938 937	870 676	870 676	887 033	892 697	938 938	986 209
Reserves and funds	9	(95 302)	(95 115)	(95 115)	(95 115)	(95 115)	(95 115)	(95 115)	(95 115)	(95 115)	(95 115)
Other		-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	10	<b>802 085</b>	<b>761 572</b>	<b>734 447</b>	<b>843 821</b>	<b>775 561</b>	<b>775 561</b>	<b>791 918</b>	<b>797 582</b>	<b>843 823</b>	<b>891 094</b>

GREATER TAUNG LOCAL MUNICIPALITY FINAL ANNUAL BUDGET 2025/26 – 2027/28 MTREF

NW394 Greater Taung - Table A7 Budgeted Cash Flows

Description	###	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year #1 2026/27	Budget Year #2 2027/28
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		23 254	23 931	7 509	41 917	41 917	41 917	41 917	25 520	24 252	14 337
Service charges		7 960	9 029	9 696	13 977	13 977	13 977	13 977	6 287	5 893	4 102
Other revenue		10 370	5 553	4 633	10 310	10 310	10 310	10 310	34 288	35 561	37 061
Transfers and Subsidies - Operational	1	218 592	238 606	268 577	268 922	268 522	268 922	268 522	130 508	134 437	112 924
Transfers and Subsidies - Capital	1	40 218	51 163	52 730	69 600	69 600	69 600	69 600	(50 706)	(51 715)	(40)
Interest		585	5 741	5 329	10 480	10 480	10 480	10 480	8 000	8 359	8 968
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(176 458)	(196 298)	(217 775)	(312 545)	(345 289)	(345 289)	(345 289)	(344 770)	(331 167)	(423 919)
Interest		(0)	-	-	-	-	-	-	-	-	-
Transfers and Subsidies	1	-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>124 502</b>	<b>140 725</b>	<b>128 700</b>	<b>100 661</b>	<b>66 917</b>	<b>66 917</b>	<b>66 917</b>	<b>(200 463)</b>	<b>(174 380)</b>	<b>(246 967)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	2 000	2 000	2 142
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(80 443)	(57 390)	(52 871)	(72 600)	(76 590)	(76 590)	(76 590)	-	-	-
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(80 440)</b>	<b>(57 390)</b>	<b>(52 871)</b>	<b>(72 600)</b>	<b>(76 590)</b>	<b>(76 590)</b>	<b>(76 590)</b>	<b>2 000</b>	<b>2 000</b>	<b>2 142</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>44 061</b>	<b>83 334</b>	<b>75 829</b>	<b>28 060</b>	<b>(9 633)</b>	<b>(9 633)</b>	<b>(9 633)</b>	<b>(198 463)</b>	<b>(172 290)</b>	<b>(244 825)</b>
Cash/cash equivalents at the year begin:	2	144 665	82 609	47 783	47 783	20 260	20 260	20 260	20 260	(178 293)	(350 492)
Cash/cash equivalents at the year end:	2	188 726	165 943	123 612	75 843	10 627	10 627	10 627	(178 203)	(350 492)	(595 318)

NW394 Greater Taung - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year #1 2026/27	Budget Year #2 2027/28
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	188 126	165 974	123 612	75 843	10 627	10 627	10 627	(178 203)	(350 492)	(595 318)
Other current investments > 90 days		(106 086)	(117 691)	(103 351)	100	100	100	45 387	131 394	258 193	445 788
Non-current investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>82 039</b>	<b>47 783</b>	<b>20 260</b>	<b>75 943</b>	<b>10 727</b>	<b>10 727</b>	<b>56 014</b>	<b>(46 809)</b>	<b>(92 300)</b>	<b>(149 530)</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		1 968	5 791	1 502	2 431	1 902	1 902	17 911	(66 121)	(134 687)	(131 513)
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	(3 809)	(10 153)	(5 699)	(3 619)	(6 699)	(5 699)	5 417	(5 699)	(5 699)	(5 699)
Other working capital requirements	3	30 277	26 872	42 565	38 335	40 614	40 614	20 615	39 139	77 521	33 917
Other provisions		15 260	15 534	1 148	104	1 722	1 722	(1 148)	1 722	1 722	1 722
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	(95 561)	(95 561)	(95 561)	(95 561)	(95 561)	(95 561)	(95 561)	(95 561)	(95 561)	(95 561)
<b>Total Application of cash and investments:</b>		<b>(57 834)</b>	<b>(47 667)</b>	<b>(55 225)</b>	<b>(58 311)</b>	<b>(57 823)</b>	<b>(57 823)</b>	<b>138 357</b>	<b>(126 521)</b>	<b>(156 609)</b>	<b>(187 135)</b>
<b>Surplus/(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits</b>		<b>139 874</b>	<b>95 390</b>	<b>75 486</b>	<b>134 254</b>	<b>67 750</b>	<b>67 750</b>	<b>(64 343)</b>	<b>79 712</b>	<b>64 296</b>	<b>48 585</b>
<b>Creditors transferred to Debt Relief - Non-Current portfolio</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus/(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits</b>		<b>139 874</b>	<b>95 390</b>	<b>75 486</b>	<b>134 254</b>	<b>67 750</b>	<b>67 750</b>	<b>(64 343)</b>	<b>79 712</b>	<b>64 296</b>	<b>48 585</b>

GREATER TAUNG LOCAL MUNICIPALITY FINAL ANNUAL BUDGET 2025/26 – 2027/28 MTREF

NW394 Greater Taung - Table A9 Asset Management

Description	###	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>5</b>	<b>741 177</b>	<b>743 688</b>	<b>785 724</b>	<b>711 099</b>	<b>755 368</b>	<b>755 368</b>	<b>786 681</b>	<b>786 069</b>	<b>785 342</b>
<i>Roads Infrastructure</i>		324 185	309 484	312 124	297 426	301 146	301 146	309 344	306 255	303 090
<i>Storm water Infrastructure</i>		47 474	55 189	84 481	52 143	61 439	61 439	62 869	61 183	69 468
<i>Electrical Infrastructure</i>		72 098	77 833	103 285	77 411	103 408	103 408	107 606	111 413	115 275
<i>Water Supply Infrastructure</i>		(3 606)	(3 626)	25	(3 659)	(8)	(8)	8	(19)	(29)
<i>Sanitation Infrastructure</i>		1 121	1 121	14 004	1 121	14 004	14 004	14 004	14 004	14 004
<i>Solid Waste Infrastructure</i>		1 015	954	683	889	608	608	643	602	559
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		(28)	(28)	-	(28)	-	-	-	-	-
<b>Infrastructure</b>		<b>442 259</b>	<b>439 936</b>	<b>494 603</b>	<b>425 396</b>	<b>480 597</b>	<b>480 597</b>	<b>494 473</b>	<b>493 440</b>	<b>492 367</b>
<b>Community Assets</b>		<b>178 543</b>	<b>191 700</b>	<b>187 554</b>	<b>179 026</b>	<b>174 637</b>	<b>174 637</b>	<b>180 671</b>	<b>173 567</b>	<b>186 321</b>
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>12 567</b>	<b>10 798</b>	<b>12 788</b>	<b>12 679</b>	<b>12 788</b>	<b>12 788</b>	<b>12 788</b>	<b>12 788</b>	<b>12 788</b>
<b>Other Assets</b>		<b>16 305</b>	<b>15 540</b>	<b>13 688</b>	<b>11 407</b>	<b>9 886</b>	<b>9 886</b>	<b>11 830</b>	<b>9 541</b>	<b>7 206</b>
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		<b>2 722</b>	<b>1 857</b>	<b>988</b>	<b>1 857</b>	<b>988</b>	<b>988</b>	<b>988</b>	<b>988</b>	<b>988</b>
<i>Computer Equipment</i>		2 778	3 260	2 975	5 696	6 675	6 675	3 275	3 578	3 886
<i>Furniture and Office Equipment</i>		2 884	1 916	1 977	1 181	2 370	2 370	3 884	5 802	7 742
<i>Machinery and Equipment</i>		10 936	10 466	5 724	11 159	5 968	5 968	11 591	17 614	23 526
<b>Transport Assets</b>		<b>12 482</b>	<b>8 499</b>	<b>5 709</b>	<b>3 087</b>	<b>1 740</b>	<b>1 740</b>	<b>7 458</b>	<b>9 123</b>	<b>10 799</b>
<i>Land</i>		59 700	59 719	59 719	59 700	59 719	59 719	59 719	59 719	59 719
<i>Zoo's, Marine and Non-biological Animals</i>		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>5</b>	<b>741 177</b>	<b>743 688</b>	<b>785 724</b>	<b>711 099</b>	<b>755 368</b>	<b>755 368</b>	<b>786 681</b>	<b>786 069</b>	<b>785 342</b>

GREATER TAUNG LOCAL MUNICIPALITY FINAL ANNUAL BUDGET 2025/26 – 2027/28 MTREF

NW394 Greater Taung - Table A10 Basic service delivery measurement

Description	KPI#	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year #1 2026/27	Budget Year #2 2027/28
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		--	--	--	--	--	--	--	--	--
Piped water inside yard (but not in dwelling)	2	--	--	--	--	--	--	--	--	--
Using public tap (at least min.service level)	4	--	--	--	--	--	--	--	--	--
Other water supply (at least min.service level)	4	--	--	--	--	--	--	--	--	--
<i>Minimum Service Level and Above sub-total</i>										
Using public tap (< min.service level)	3	--	--	--	--	--	--	--	--	--
Other water supply (< min.service level)	4	--	--	--	--	--	--	--	--	--
No water supply		--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>										
<b>Total number of households</b>	5	--	--	--	--	--	--	--	--	--
<b>Sanitation/Septage:</b>										
Flush toilet (connected to sewerage)		--	--	--	--	--	--	--	--	--
Flush toilet (with septic tank)		--	--	--	--	--	--	--	--	--
Chemical toilet		--	--	--	--	--	--	--	--	--
Pit toilet (ventilated)		--	--	--	--	--	--	--	--	--
Other toilet provisions (> min.service level)		--	--	--	--	--	--	--	--	--
<i>Minimum Service Level and Above sub-total</i>										
Bucket toilet		--	--	--	--	--	--	--	--	--
Other toilet provisions (< min.service level)		--	--	--	--	--	--	--	--	--
No toilet provisions		--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>										
<b>Total number of households</b>	6	--	--	--	--	--	--	--	--	--
<b>Energy:</b>										
Electricity (at least min.service level)		--	--	--	--	--	--	--	--	--
Electricity - prepaid (min.service level)		--	--	--	--	--	--	--	--	--
<i>Minimum Service Level and Above sub-total</i>										
Electricity (< min.service level)		--	--	--	--	--	--	--	--	--
Electricity - prepaid (< min.service level)		--	--	--	--	--	--	--	--	--
Other energy sources		--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>										
<b>Total number of households</b>	5	--	--	--	--	--	--	--	--	--
<b>Refuse:</b>										
Removed at least once a week		--	--	--	--	--	--	--	--	--
<i>Minimum Service Level and Above sub-total</i>										
Removed less frequently than once a week		--	--	--	--	--	--	--	--	--
Using communal refuse dump		--	--	--	--	--	--	--	--	--
Using own refuse dump		--	--	--	--	--	--	--	--	--
Other rubbish disposal		--	--	--	--	--	--	--	--	--
No rubbish disposal		--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>										
<b>Total number of households</b>	5	--	--	--	--	--	--	--	--	--
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		--	--	--	--	--	--	--	--	--
Sanitation (free minimum level service)		--	--	--	--	--	--	--	--	--
Electricity/other energy (50kwh per household per month)		--	--	--	--	--	--	--	--	--
Refuse (removed at least once a week)		--	--	--	--	--	--	--	--	--
<b>Informal Settlements</b>										
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>										
Water (6 kilolitres per indigent household per month)		--	--	--	--	--	--	--	--	--
Sanitation (free sanitation service to indigent households)		--	--	--	--	--	--	--	--	--
Electricity/other energy (50kwh per indigent household per month)		--	--	--	--	--	--	--	--	--
Refuse (removed once a week for indigent households)		--	--	--	--	--	--	--	--	--
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>										
<b>Total cost of FBS provided</b>	8	--	--	--	--	--	--	--	--	--
<b>Highest level of free service provided per household</b>										
Property rates (R value threshold)		--	--	--	--	--	85 000	85 000	85 000	
Water (kilolitres per household per month)		--	--	--	--	--	6	6	6	6
Sanitation (kilolitres per household per month)		--	--	--	--	--	1	1	1	1
Sanitation (Rand per household per month)		--	--	--	--	--	46	46	46	46
Electricity (kwh per household per month)		--	--	--	--	--	50	50	50	50
Refuse (average litres per week)		--	--	--	--	--	1	1	1	1
<b>Revenue cost of subsidised services provided (R'000)</b>	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		--	--	--	--	--	--	--	--	--
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		3 940	2 964	2 089	6 620	6 620	6 620	5 627	5 880	6 027
Water (in excess of 6 kilolitres per indigent household per month)		--	--	--	10	10	10	9	9	9
Sanitation (in excess of free sanitation service to indigent households)		159	97	118	257	257	257	193	201	206
Electricity/other energy (in excess of 50 kwh per indigent household per month)		--	--	--	138	138	138	103	108	111
Refuse (in excess of one removal a week for indigent households)		182	122	163	732	732	732	659	629	706
Municipal Housing - rental rebates		--	--	--	--	--	--	--	--	--
Housing - top structure subsidies		--	--	--	--	--	--	--	--	--
Other		--	--	--	--	--	--	--	--	--
<b>Total revenue cost of subsidised services provided</b>	6	4 297	3 182	2 959	7 757	7 757	7 757	6 591	6 887	7 059

## PART 2: SUPPORTING DOCUMENTATION

### 2.1. Overview of the Annual Budget Process

#### Section 21 – Budget Preparation Process

- The schedule of key deadlines (IDP/PMS & Budget process Plan) was tabled and published in August 2024.
- Community Ward based planning meeting took place between September 2024 towards the beginning of December 2024.
- The 2025/26 Final Budget was tabled together with the Final IDP in council on the 30 March 2025
- The Final 2025/26 – 2027/28 IDP was also tabled in council on 30 March 2025 and consultative meetings are scheduled to follow during the month of April 2025.
- The municipality has had consultation meetings with external Government sectors in terms of their budget allocation
- The final budget will be adopted after considering the public input by 30 June 2025.

### 2.2. Overview of Alignment of Annual Budget with IDP

Greater Taung Local Municipality has adopted the Turn Around Strategy approach to inform both the IDP and resource allocation (budget process). Integrated Development Plan is the principal strategic planning tool that guides and informs all planning, development and decision-making in the municipality. Poverty eradication and job creation are critical ingredients of sustainable economic development. The integrated development plan has a number of clear objectives and intended impacts such as consultative processes, strategic process and implementation-oriented processes. The primary objective of the IDP is to accelerate service delivery by providing a framework for economic and social development.

Greater Taung Local Municipality's development plan needs are aligned with National and Provincial initiatives to ensure optimal impact from the combined efforts of government. In this regard there are five critical elements: Accelerated and Shared Growth-South Africa (ASGI-SA), National Spatial Development Perspective (NSDP), National Strategy for Sustainable Development (NSSD), Provincial Growth and Development Strategy (PGDS) and Provincial Spatial Development Framework (PSDF). All these feed into and influence the Integrated Development Plan.

#### **Municipal Transformation and Organizational Development**

This key performance area focuses on the availability and implementation of programmes that transform the municipality to cope with the on-going and ever-changing community needs as well as being a learning organization. Institutional transformation is necessary condition to achieve the

strategic objectives of the developmental governance. The key performance indicators under this key performance area as follows:

- Organizational design (Organogram that is linked to the organizational strategy)
- Employment Equity issues.
- Skills Development (Institutional Skills Development)
- Integrated Development Planning (Integration of strategic frameworks)
- Performance Management System
- Administrative and institutional Systems and structures
- 

### **Infrastructure Development and Services Delivery**

The delivery of basic services and provision of infrastructure is the most important element of poverty eradication. The council noted the fact that the provisions of economic and social infrastructure to communities facilitate the local economic development. This key performance area focus on services rendered directly to the communities, such as water, sanitation, electricity, solid waste management, environmental management, roads, housing and community facilities. The council has resolved to accelerate the provision of these services, especially water, sanitation and electricity through a three-year budgeting cycle.

### **Local Economic Development**

This key performance area focuses on the measure that the municipality will apply to promote the local economy. The measures such as how to implement the supply chain management in terms of SMME development, Broad Based Black Economic Empowerment, Poverty alleviation initiatives and job creation initiatives. It further puts emphasis on the attraction and retention of investment, SMME support, provision of basic needs, skills development and the implementation of the affirmative procurement framework and labour-intensive program.

We have identified competitive advantages to bolster “logistic hub initiative”. These include implementation of the inner urban renewal program, initiating of the regional shopping centre, the regional transport hub and agro-processing, mineral beneficiation centre and the international convention centre. We are implementing Extended Public Works Program to facilitate economic growth, skills development and acceleration of infrastructure investment.

## **Municipal Finance Viability and Management**

Council has adopted sustainability as one of the key performance areas. This key performance area puts emphasis on the interconnection between the institutional, social, environmental and financial arrangement of the implementation of any program and project in the municipality. Sustainability in terms of the above-mentioned aspects informs the action plans of the municipality to ensure the provision and maintenance of sustainable infrastructure to communities.

## **Good Governance and Public Participation**

It focuses primarily on the development and implementation of the systems and procedures that will ensure that the municipality promotes good governance and public participation in terms of the constitutional mandate. The core objective of this key performance area is to mobilize and empower local communities to take control of the process of social transformation. The most key performance indicators under this key performance area are as follows:

- Availability of communication strategy
- Citizen/customer satisfaction survey
- Service delivery improvement program
- Functional Ward Committee System
- Council System
- Corporate Governance (Audit Committee, Performance Audit Committee, Anti-Corruption Strategy and Policy)
- Internal Audit

The core objective of this Key Performance Area is to ensure that we meet the needs of today without diminishing the capacity of future generations to meet theirs. Sustainable development implies a broad view of human welfare, a long-term perspective about the consequences of today's activities, and global co-operation to reach viable solutions. It is within this context that the Council has resolved to adopt best practices in all sectors to inform all development activities for sustainable development.

## **Core functions and Services provided**

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Section 152 of the **Constitution of the Republic of South Africa – Act 108 of 1996** summarises the objects of Local Government as follows:

- a. To provide democratic and accountable government to local communities;
- b. To ensure the provision of services to communities in a sustainable manner;
- c. To promote social and economic development;
- d. To promote a safe and healthy environment; and
- e. To encourage the involvement of communities and community organisations in the matters of Local Government.

Development Duties of Municipalities:

**A Municipality must:**

- a. Structure and manage its administration and budgeting and planning processes to give priority to basic needs of the community and to promote the social and economic development of the community and;
- b. Participate in national and provincial development programmes.

In order to give effect to the above-mentioned, Council has determined five (5)

**Key Performance Areas** namely:

1. Municipal Transformation and Organisational Development
2. Infrastructure Development and Services Delivery
3. Promotion of Local Economic Development
4. Municipal Finance Viability and Management
5. Good Governance and Public Participation

**2.3. Measurable performance objectives and indicators**

A detailed service delivery and budget implementation plan on the IDP which is to be approved by the Mayor shows the measurable performance objectives and annual target that each directorate should achieve and become part of the performance agreement for all sections of employees.

## 2.4. Overview of Budget Related Policies

(a) The following budget related policies to be tabled together with the Final budget and Final IDP:

- i. Asset Management Policy
- ii. Cash Management & Investment Policy
- iii. Credit Control & Debt Collection Policy
- iv. Funding & Reserve (Budget) Policy
- v. Indigent Policy
- vi. Property Rates Policy
- vii. Property Rates By-Laws
- viii. Supply Chain Management Policy
- ix. Tariff Policy
- x. Virement Policy
- xi. 2025/26 Procurement Plan
- xii. 2025/26 Final Tariff Schedule

## 2.5. Background to the Budget Preparation Process

The budget process is an effective process that every local government must undertake to ensure Good Governance and accountability. The process outlines the current and future direction that the municipality would follow in order to meet legislative stipulations. The budget process enables the municipality to optimally involve residents and other stakeholders in the budgeting process.

In terms of Section 15 of the MFMA, a municipality may except where otherwise provided in the Act, incur expenditure only in terms of the approved budget and within the limits of the amounts appropriated for the different votes in an approved budget. The MFMA prescribes further that the Council must for each financial year approve an annual budget for the municipality before the start of that financial year. An annual budget must set out realistically anticipated revenue for the budget year from each revenue source and expenditure appropriated under the different votes of the municipality.

Greater Taung Local Municipality's Budget/ Integrated Development Plan (IDP) Review process for the 2025/26 financial year started with the development and approval in August 2024 of the "Process Plan for the Budget Formulation and IDP Review". The timetable provided broad timeframes for the IDP and budget preparation process. The main aim of the timetable was to ensure integration between the Integrated Development Plan and the budget towards tabling a balanced budget.

## Monitoring of the Implementation of the SDBIP

Progress against the objectives/targets set out in the SDBIP will be reported on a monthly, quarterly, mid-year and annual basis as set out in the MFMA.

A series of reporting requirements are outlined in the MFMA as follows:

- Monthly budget statements (Section 71)
- Quarterly reports (Section 52)
- Mid-year budget and performance assessment (Section 72)
- Annual report (Section 121)

## General

The SDBIP largely complies with legislation as well as policy guidelines issued by National Treasury it is however an evolving document and will continue to be refined to improve the content and the quality of information contained therein on a continued basis.

### 2.6. Overview of Funding the Budget

The statement of financial performance reflects an operating surplus of R1.1M therefore Greater Taung Local Municipality is fully compliant Sec 18 of MFMA.

Furthermore, Table A8 on the A-Schedule reflected a surplus over the MTREF after taking into account all commitments as indicated.

Monthly targets for Revenue as indicated on table SA26

### 2.7. Reconciliation between of transfers, grant receipts and unspent

NW394 Greater Taung - Supporting Table SA18 Transfers and grant receipts										
Description	###	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
National Government:		5 058	4 807	5 355	5 925	-	6 149	7 496	4 842	4 715
Expanded Public Works Programme Integrated Grant		1 758	1 707	2 255	-	-	3 049	1 715	1 842	1 715
Local Government Financial Management Grant		3 300	3 100	3 100	3 100	-	3 100	3 000	3 000	3 000
Municipal Infrastructure Grant		-	-	-	2 825	-	-	2 781	-	-
Provincial Government:		-	-	-	1 097	-	-	1 146	1 259	1 319
Specify (Add grant description)		-	-	-	1 097	-	-	1 146	1 259	1 319
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	1 081	1 427	1 912
North West Provincial Arts and Culture Council		-	-	-	-	-	-	1 081	1 427	1 912
<b>Total Operating Transfers and Grants</b>	5	5 058	4 807	5 355	7 022	-	6 149	9 723	7 528	7 946
<b>Capital Transfers and Grants</b>										
National Government:		46 717	40 218	54 163	53 691	-	52 730	69 535	63 593	63 554
Municipal Infrastructure Grant		46 717	40 218	54 163	53 691	-	52 730	62 835	63 596	63 554
Integrated National Electrification Programme Grant		-	-	-	-	-	-	6 700	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	65	40	40
North West Provincial Arts and Culture Council		-	-	-	-	-	-	65	40	40
<b>Total Capital Transfers and Grants</b>	6	46 717	40 218	54 163	53 691	-	52 730	69 600	63 636	63 594
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	51 775	45 025	59 518	60 714	-	58 879	79 323	71 164	71 540

2.8. Disclosure on Salaries, Allowance and Benefits (SA22)

NW394 Greater Taung - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	###	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		16 784	16 563	18 043	18 257	18 257	18 257	19 125	20 033	20 985
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		1 305	1 586	2 234	3 926	3 626	3 626	3 799	3 979	4 168
Cellphone Allowance		2 129	2 058	2 542	2 724	2 524	2 524	2 644	2 770	2 901
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	500	500	524	549	575
<b>Sub Total - Councillors</b>		<b>20 217</b>	<b>20 508</b>	<b>22 818</b>	<b>24 908</b>	<b>24 908</b>	<b>24 908</b>	<b>26 091</b>	<b>27 330</b>	<b>28 629</b>
% Increase	4		1.4%	11.3%	9.2%	-	-	4.7%	4.8%	4.8%
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		6 176	4 911	1 728	7 220	12 170	12 170	12 748	13 354	13 988
Pension and UIF Contributions		13	11	3	101	601	601	629	639	691
Medical Aid Contributions		-	-	-	-	300	300	314	329	345
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		82	82	-	-	-	-	-	-	-
Motor Vehicle Allowance		938	862	1 739	1 202	602	602	631	661	692
Cellphone Allowance	3	60	59	178	82	82	82	88	90	95
Housing Allowances	3	-	-	-	-	40	40	42	44	46
Other benefits and allowances	3	30	77	-	-	-	-	-	-	-
Payments in lieu of leave		-	492	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		95	65	246	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>7 393</b>	<b>6 468</b>	<b>3 894</b>	<b>8 606</b>	<b>13 796</b>	<b>13 796</b>	<b>14 451</b>	<b>15 137</b>	<b>15 856</b>
% Increase	4		(12.1%)	(40.1%)	121.0%	60.3%	-	4.8%	4.7%	4.7%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		71 863	77 467	83 941	83 941	79 690	79 690	83 359	87 319	91 466
Pension and UIF Contributions		12 080	12 964	8 826	15 978	15 228	15 228	15 353	17 025	16 846
Medical Aid Contributions		6 302	5 888	6 254	5 856	5 715	5 715	5 987	6 271	6 569
Overtime		4 357	5 680	5 147	7 214	5 714	5 714	5 986	6 270	6 568
Performance Bonus		5 452	5 293	5 890	6 204	5 454	5 454	6 499	6 807	7 131
Motor Vehicle Allowance	3	4 421	5 153	4 356	5 526	5 026	5 026	5 264	5 514	5 776
Cellphone Allowance	3	317	346	354	1 138	688	688	720	755	791
Housing Allowances	3	292	183	196	1 045	1 045	1 045	908	951	996
Other benefits and allowances	3	7 919	3 462	7 107	921	2 221	2 221	2 327	2 437	2 553
Payments in lieu of leave		1 350	1 290	2 180	4 540	4 540	4 540	4 981	4 981	5 218
Long service awards		740	665	377	150	650	650	660	691	724
Post-retirement benefit obligations	6	(64)	1 056	806	639	639	639	659	701	734
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		1 234	1 126	1 660	1 430	1 430	1 430	1 498	1 569	1 644
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>116 263</b>	<b>120 835</b>	<b>127 083</b>	<b>134 480</b>	<b>128 039</b>	<b>128 039</b>	<b>133 984</b>	<b>141 291</b>	<b>147 015</b>
% Increase	4		3.9%	5.2%	5.8%	(4.8%)	-	4.6%	5.5%	4.1%
<b>Total Parent Municipality</b>		<b>143 874</b>	<b>147 841</b>	<b>153 795</b>	<b>167 934</b>	<b>166 743</b>	<b>166 743</b>	<b>174 526</b>	<b>183 739</b>	<b>191 590</b>

Supporting table is attached in respect of disclosure of salaries, allowances and benefits.

Councillors

On a yearly basis the Minister of Local Provincial Government set the upper limit on determination of councillor's allowances. The provision made on the 2025/26 financial year is adequate for allowances and salaries for councillors. Cost of living (inflation) annual increase has been set at 4.75%. The payment of allowances to councillors for 2025/2024 will be made using the upper limit gazette available during payment of such allowances. Total budget for 2025/26 for Councillors is R26, 091, 158.

Senior Officials

The total budget for 2025/2024 senior officials employed in terms of sections 56 and 57 of Municipal System Act equals R15,132,000.

Other Municipal Staff

The total budget for other Municipal staff on 2025/26 equals R134,120,985.48  
The total budget in respect of Councillor's allowance and officials equals R133, 440, 0002.

**2.9. Monthly Targets for Revenue, Expenditure and Cash Flow (SA25-30)**

Annexure is attached that present the monthly projection on cash inflow and outflow. No bridging will be required. Although anticipated collection of revenue fluctuates seasonally, it will not require the Municipality to take a bank.

**2.10. Annual budgets and SDBIP's – internal departments**

**Introduction**

The purpose of this document is to present the Service Delivery and Delivery and Budget Implementation Plan (SDBIP) of the Greater Taung Local Municipality for 2025/26 Financial Year. The development, implementation, and monitoring of a Service Delivery and Delivery and Budget Implementation Plan is a requirement for of the Municipal Finance Management Act (MFMA) No 56 of 2003.

The SDBIP is a detailed one-year plan of the municipality that gives effect to the IDP and budget of the municipality. The SDBIP is a management plan for implementing the IDP through the approval budget. It is an expression of the objective of the municipality, in quantifiable outcomes that will be implemented for the financial year. It includes the service delivery targets for each quarter and facilitates oversight over financial and non-financial performance of the municipality.

The 2025/26 SDBIP will not only ensure appropriate monitoring in the Execution of the municipality budget and processes involved in the allocation of budget to achieve key strategic objectives as set in the municipality's Integrated Development Plan (IDP), but will also serve as the kernel of annual performance contract for senior management and provide a foundation for the overall annual and quarterly organisational performance for the 2025/26 Financial Year.

The SDBIP also assist the Executive, Council and the community in their respective oversight responsibilities since it serves as an implementation and monitoring tool.

Greater Taung Local Municipality does not have any entity; therefor the SDBIP is only for the parent municipality.

### **Legislative framework**

Section 1 of the MFMA defines the SDBIP as a detailed plan approved by the mayor of a municipality in terms of section 53(1) (c)(ii) for implementing the municipality's delivery of service and its annual budget and which must indicate:

- a) Projections for each month of:-
  - I. Revenue to be collected, by source and
  - II. Operational and capital expenditure by vote
- b) Service delivery targets and performance indicators for each quarter and
- c) Any other matter that may prescribed and includes any revision of such plan by the mayor in terms of section 54(1) (c)

The MFMA requires that municipalities develop a Service Delivery and Budget Implementation Plan as a strategic financial management tool to ensure that budgetary decision that are adopted by municipalities for the financial year are aligned with their Integrated Development Plan Strategy. In terms of section 53(1) (c)(ii) of the MFMA, the SDBIP must be approved by the mayor of a municipality within 28 days of the approval of the budget

### **Components of the SDBIP**

- Monthly Projections of Revenue to be collected for each source
- Monthly Projections of Expenditure and Revenue for each vote
- Quarterly projections of Service Delivery targets and Performance Indicators
- Detailed capital Budget Broken Down by ward over three years

### **Monthly Projections of Revenue to be collected for each Source**

The failure to collect its revenue as a budgeted will severely impact on the municipality's ability to provide services to the community. The municipality therefore has to institute measures to achieve its monthly revenue targets for each source. These measures will enable the municipality to assess its cash flow on monthly basis with a view to undertaking contingency plans should there be a cash flow shortage or alternatively invest surplus cash. Furthermore, the effectiveness of credit control policies and procedures can be monitored with appropriate action taken if considered necessary

### **Monthly Projections of Expenditure and Revenue for each Vote**

The monthly projection of revenue and expenditure per vote relate to the cash paid and reconciles with the cash statement adopted with the budget. The focus under this component is a monthly projection per vote in addition to projection by source. When reviewing budget projections against actuals, it is useful to consider revenue and expenditure per vote in order to gain more complete picture of budget projections against actuals.

### **Quarterly Projections of Service Delivery Targets and Performance Indicators for each vote**

This component of the SDBIP requires non- financial measurable performance objectives in the form of service delivery targets and other indicators of performance. The focus is on outputs rather than inputs. Service delivery targets relate to the level and standard of service being provided to the community and include the addressing of backlogs in basic services. The approach encouraged by NT's MFMA circular No. 13 is the utilisation of scorecards to monitor service delivery.

### **Detailed Capital Budget over Three Years**

Information detailing infrastructural projects containing project description and anticipated capital costs over three year period. A summary of capital project per the IDP will be made available on Council website.

### **SDBIP Cycle**

The SDBIP Process comprises the following stages, which forms part of a cycle.

#### **Planning:**

During this phase the SDBIP Process plan is developed to be tabled with the IDP Process plan. SDBIP related processes e.g., Management meetings, strategic Planning working session.

#### **Strategizing:**

During this phase the IDP is reviewed and subsequent SDBIP programmes and projects for the next 5 years based on local, provincial and national issues, previous year's performance and current economic and demographic trends etc.

**Tabling:**

The SDBIP is tabled with the Final IDP and budget before Council. Consultation with the community and stakeholders of the IDP on the SDBIP is done through budget hearings and formal local, provincial and national inputs or responses are also considered in developing the final document.

**Adoption:**

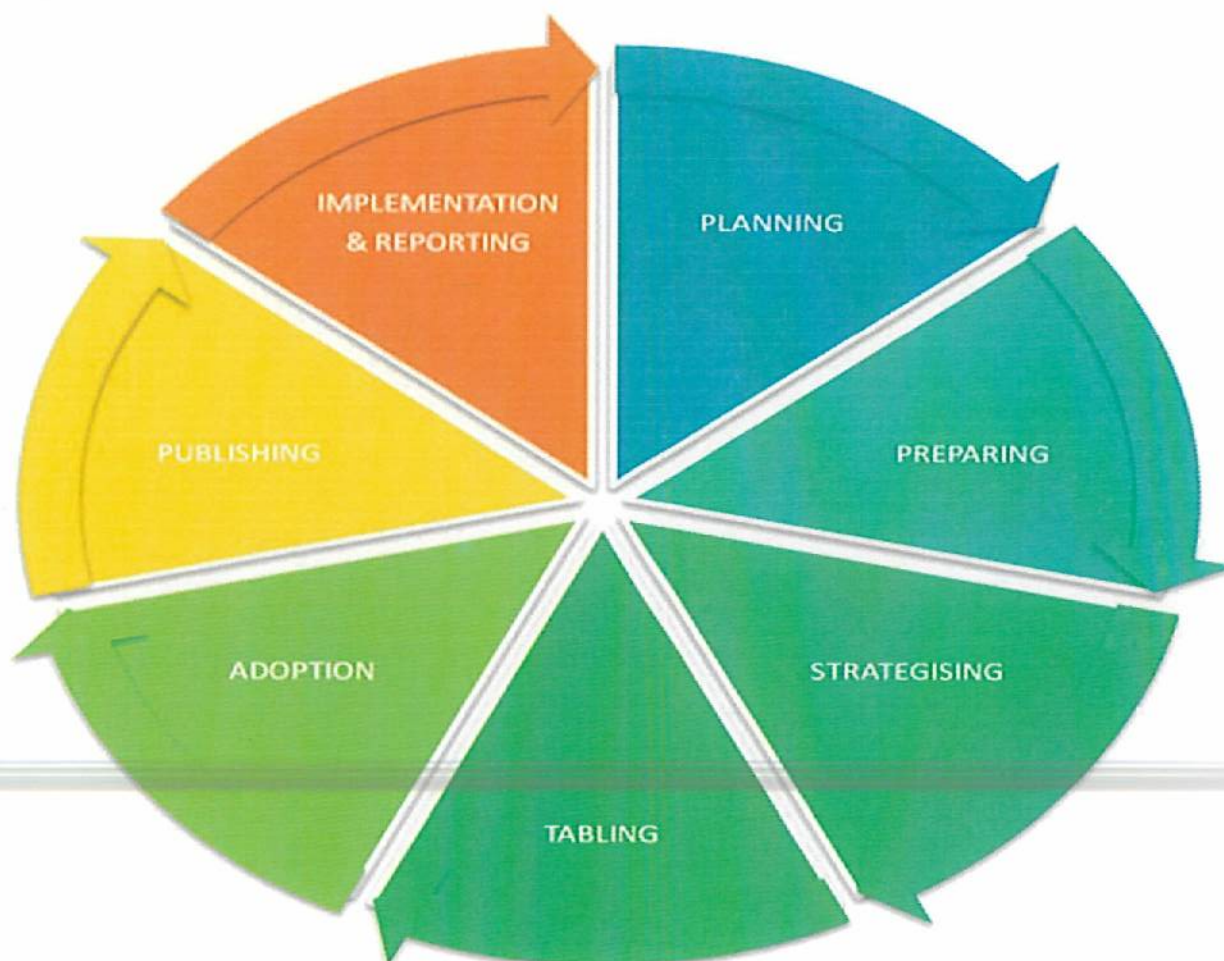
The Mayor approves the SDBIP no later than 28 days after the adoption of the Municipality's budget.

**Publishing:**

The adopted SDBIP is made public and is published on Council's website.

**Implementation, Monitoring and Reporting:**

SDBIP projects are implemented and quarterly reporting takes place. Mid-year reporting is done to assess performance on the SDBIP, the document is amended, where applicable and adopted by Council.



### **2.11. Contracts having future budgetary implications**

In terms of Greater Taung Local Municipality Supply Chain Management Policy, no contracts are rewarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to Bid Committees must obtain formal financial comments from the Chief Financial Officer.

### **2.12. Capital Expenditure Details (SA 34a – 34b)**

The following tables indicate the Capital Expenditure. Greater Taung Local Municipality is currently not budgeting for renewal of assets because new assets are rather being paid for than replacement.

### **2.13. Disclosure on implementation of MFMA and other legislation**

The promulgation of the Municipal Finance Management Act has brought a profound effect on the local government operations as it necessitated changes and transformation in financial planning process. As the medium-term budget for 2025/2024 – 2025/2026 financial year is an expression of continuous process of improving the financial planning progress at municipal level and conform to formats and circulars sent by national Treasury.

#### **Areas Identified in the MFMA**

##### Integrated Development Plan

The plan guides the municipality in respect of the budgeting process and take account of community needs and their priorities in terms of the needs identified and service gaps. Consultation with community and other stakeholders play a major role in the development of the IDP.

##### Budget

The budget process started in August 2022 when council approved the budget time schedule. The budget was submitted to Council for tabling on 30 March 2025. Adoption of the budget is envisaged to take place on 26 May 2025.

##### Annual Report

An annual report has been developed for 2021/2022 and tabled to council on 31 January 2025, and an oversight committee has been established to look into the matters of the Annual report.

#### In-year reporting

The municipality submits and provides financial reports as required in terms of the MFMA to various stakeholders as identified on an on-going basis. The municipality has been implementing the provisions of the MFMA in accordance

#### Budget and Treasury offices

A budget and treasury office has been established in accordance with the MFMA. The Supply Chain Management Unit reports to the Chief Financial Officer. The position of Chief Financial Official is filled.

#### Supply Chain Management

The Supply Chain Management Policy has been approved by Council. The unit of Supply Chain Management is headed by the SCM Manager who report to the Chief Financial Officer. Three bid committees are in place the Bid Specification Committee, Bid Evaluation Committee and Bid Adjudication Committee.

#### Audit Function

The municipality has a shared Internal Audit Unit with the district, with the audit charter, plan and programmes informed by the District's plan.

### **2.14. Rates & Taxes**

Refer to attached Final Tariff Schedule

### **2.15. Legislation Compliance Status**

Below are the legislative requirements that guide the budget preparation process:

#### Municipal Structures Act

The Municipal Structures Act (No. 117 of 1998) as amended, under section 44: Functions and Powers of Executive Committee, states that the Executive Committee must:

- a) Identify the needs of the Municipality.
- b) Review and evaluate those needs in order of priority.
- c) Recommend to the Municipal Council strategies, programmes and services to address priority needs through the integrated development plan and estimates of revenue and expenditure, taking into account any applicable national and provincial development plans.
- d) Recommend or determine the best methods, including partnership and other approaches, to deliver those strategies, programmes and services to the maximum benefit of the community.

Legislation also requires municipalities to compile operating and capital budgets on an annual basis. The operating and capital budgets must balance (i.e. may not reflect a deficit) and must be prepared in accordance with the integrated development plan.

#### Municipal Finance Management Act

Section 16(2) of the Municipal Finance Management Act No. 56 of 2003, (MFMA) dealing with legislative compliance regarding the tabling of the annual budget states inter alia that:

“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.”

Section 21(1) of the MFMA, which deals with the budget preparation process, stipulates that the Mayor must:

- a) Co-ordinate the processes for preparing the annual budget and for reviewing the municipality’s integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible.
- b) At least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for:

- I. The preparation, tabling and approval of the annual budget.
- II. The annual review of:
  - The integrated development plan in terms of section 34 of the Municipal Systems Act.
  - The budget related policies.
- III The tabling and adoption of any amendment to the integrated Development plan and the budget related policies.
- IV Any consultative processes forming part of the processes referred to in sub-paragraph (i) (ii) and (iii).

The approval of the Budget is regulated by section 24 of the MFMA, which states as follows:

- 1) The municipal council must least 30 days before the start of the budget year consider approval of the annual budget.
- 2) An annual budget:
  - a) Must be approved before the start of the budget year.
  - b) Must be approved together with the adoption by the council of the resolutions as may be necessary for:
    - i) Imposing any municipal tax for the budget year.
    - ii) Setting any municipal tariffs for the budget year.
    - iii) Approving measures performance objectives for each vote in the budget
    - iv) Approving any changes to the municipality's integrated development plan and approving any changes to the municipality's budget-related policies.



## 2.16. MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I, **Adrew Motlhaletsimang Makuapane**, Municipal Manager of **Greater Taung Local Municipality (NW394)** hereby certify that this Operating and Capital Budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act (MFMA) and the regulations made under the Act and that the 2025/2026 Operating and Capital Budget and the MTREF and supporting documents are consistent with the Integrated Development Plan (IDP) of the Municipality.

Signature: \_\_\_\_\_

Date : \_\_\_\_\_

: 12/06/2025