

# **HANTAM LOCAL MUNICIPALITY (NC065)**



**AN ANNUAL DRAFT BUDGET AND  
SUPPORTING DOCUMENTATION  
OF THE HANTAM LOCAL  
MUNICIPALITY (NC065)**

**2025/26 – 2027/28**

**MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK  
BUDGET - DRAFT**

## TABLE OF CONTENTS

<b>BACKGROUND</b> .....	4
<b>PART 1 – ANNUAL BUDGET</b> .....	5
<b>1.1 MAYOR’S REPORT</b> .....	5
<b>1.2 COUNCIL RESOLUTION</b> .....	8
<b>1.3 EXECUTIVE SUMMARY</b> .....	9
<b>1.4 ANNUAL BUDGET TABLES</b> .....	9
<b>PART 2 – SUPPORTING DOCUMENTATION</b> .....	23
<b>2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS</b> .....	23
<b>2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN</b> 24	
<b>2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS</b> .....	25
<b>2.4 OVERVIEW OF BUDGET-RELATED POLICIES</b> .....	25
<b>2.6 OVERVIEW OF BUDGET ASSUMPTIONS</b> .....	26
<b>2.7 OVERVIEW OF BUDGET FUNDING</b> .....	27
<b>2.8 EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES</b> .....	29
<b>2.9 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY</b> .....	30
<b>2.10 COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS</b> .....	31
<b>2.11 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW</b> .....	32
<b>2.12 ANNUAL BUDGETS AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN – INTERNAL DEPARTMENTS</b> .....	37
<b>2.13 ANNUAL BUDGETS AND SERVICE DELIVERY AGREEMENTS – MUNICIPAL ENTITIES AND OTHER EXTERNAL MECHANISMS</b> .....	37
<b>2.14 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS</b> .....	37
<b>2.15 CAPITAL EXPENDITURE DETAIL</b> .....	37
<b>2.16 LEGISLATION COMPLIANCE STATUS</b> .....	39
<b>2.17 OTHER SUPPORTING DOCUMENTS</b> .....	40
A) 2025/26 – 2027/28 Draft municipal tariffs .....	40
B) 2025/26 Draft budget related policies .....	40
C) 2025/26 – 2027/28 Draft Detailed Budgeted Income and Expenditure Report .....	40
<b>MUNICIPAL MANAGER’S QUALITY CERTIFICATION</b> .....	41



**BACKGROUND**

Section 28 of the Municipal Finance Management Act, 2003 (MFMA) allows a municipality to revise its approved annual budget through an adjustment budget.

Municipalities have an obligation to execute the following objects of local government as stipulated in Section 152 of the Constitution of Republic of South Africa;

- to provide a democratic and accountable government for local communities;
- to ensure the provision of services to communities in a sustainable manner;
- to promote social and economic development;
- to promote a safe and healthy environment; and
- to encourage the involvement of communities and community organizations in the matters of local government

Section 21(1)(a) of the Municipal Finance Management Act, No. 56 of 2003 (MFMA), requires from the Mayor of Hantam Local Municipality to co-ordinate the process for preparing the annual budget and for reviewing the Municipality's Integrated Development Plan (IDP) and budget-related policies to ensure that the tabled budget and any revisions of the IDP and budget-related policies are mutually consistent and credible.

Section 16(2) of the MFMA determines that the Mayor must table the annual budget at a Council meeting at least 90 days before the start of a budget year.

Furthermore, section 17 of the MFMA, an annual budget of a Municipality must set out realistically anticipated revenue for the budget year and appropriate expenditure for the budget year under the different votes of the Municipality.

An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.

In terms of section 16 (1) of the Municipal Finance Management Act the Council of a Municipality must for each financial year approve an annual budget for the Municipality before the start of that financial year.

Section 24 (1) of the Municipal Finance Management Act, the municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.

## PART 1 – ANNUAL BUDGET

### 1.1 MAYOR'S REPORT

In order for a Municipality to comply with subsection 16 (1), section 16 (2) of the MFMA prescribes 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, i.e. 31 March 2025.

Attached herewith is the DRAFT Annual budget of Hantam Local Municipality for the MTREF year 2025/2026 to 2027/28, for approval by the council.

#### SUMMARY

The Draft 2025/2026 to 2027/28 MTREF Budget Report deals with the operating budget, tariffs, capital budget and funding sources proposals to ensure that Hantam Local Municipality render services to the local community in a financially sustainable manner.

The application of sound financial management principles for the compilation of the Municipality's Financial Plan are 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 process of developing the municipality's annual budget is largely guided by the strategic thrusts and operational priorities of Hantam's IDP as well as the MTREF that sets out the expected annual revenue and projected expenditure for the budget year under consideration, plus the two outer years.

- The total operating revenue for the 2025/2026 – 2027/28 MTREF Budget is projected at R172,3 million for the 2025/26 financial year (2026/27: R178,6 million; 2027/28: R174,6 million).
- The total operating expenditure for the 2025/2026 – 2027/28 MTREF Budget is projected to be R177,8 million for the 2025/26 financial year (2026/27: R178,4 million; 2027/28: R184,0 million). This includes the budgeting of non-cash item such as debt impairment and depreciation which amounts to R38,8 million for the 2025/26 financial year (2026/27: R33,3 million; 2027/28: R33,5 million).
- Total capital expenditure for the 2025/2026 – 2027/28 MTREF Budget is projected at R19,7 million for the 2025/26 financial year (2026/27: R30,1 million; 2027/28: R35,7 million) excluding VAT. R779 000 of the capital expenditure is funded from internally generated funds.
- A surplus for the 2025/26 financial year is projected based on revenue less expenditure at R16,5 million.

On 12 March 2025, the Minister of Finance tabled the 2025/26 Budget in Parliament. The budget as tabled includes various grant allocations to municipalities in terms of the requirements of the Division of Revenue Act (DORA). The municipality's draft budget includes the following grant allocations:

Grant Description	Type of Grant	2025/26 (R)	2026/27 (R)	2027/28 (R)
Municipal Infrastructure Grant (MIG)	Conditional Grant - Capital	20 429 000	11 477 000	11 795 000
Energy Efficiency and Demand-Side Management Grant (EEDSM)	Conditional Grant - Capital	-	-	5 000 000
Integrated National Electrification Programme (Municipal) Grant (INEP)	Conditional Grant - Capital	1 500 000	3 488 000	3 646 000
Regional Bulk Infrastructure Grant (RBIG)	Conditional Grant - Capital	-	-	-
Water Services Infrastructure Grant (WSIG)	Conditional Grant – Operational	-	19 356 000	20 324 000
Financial Management Grant (FMG)	Conditional Grant	2 000 000	2 100 000	2 200 000
Expanded Public Works Programme (EPWP - Public Works)	Conditional Grant – Operational	1 269 000	-	-
DSAC - Libraries Grant	Conditional Grant – Operational	1 853 000	1 870 000	1 870 000
LG Seta	Conditional Grant – Capital	89 000	82 000	82 000
Equitable Share	Unconditional Grant	37 702 000	39 326 000	41 088 000
<b>TOTAL</b>		<b>165 363 000</b>	<b>64 842 000</b>	<b>77 699 000</b>
			<b>86 005 000</b>	

This results in a decreased in government funding from R165 363 000 prior year to R64 842 000, which is a decrease of 60,79%.

In terms of the above table, the total Operating Grants amount to R40 931 000, R43 378 000 and R45 240 000 for the three financial years, whilst the total Capital Grants amount to R21 929 000, R34 321 000 and R40 765 000 million over the same period.

Included in the above capital budget, the following capital projects for the 2025/26 financial year:

No	Project Description	Amount Incl. VAT
1	Nieuwoudtville Sewer Reticulation Network Phase 1 (MIG 1676)	R 3 303 055.90
2	Brandvlei Upgrading of Sport Facilities (MIG 1715)	R 9 500 000.00
3	Nieuwoudtville Extension of Oxidation Ponds (MIG)	R 7 625 944.10
4	Phase 2: Upgrading of Brandvlei Medium/Low Voltage Network (INEP)	R 1 500 000.00

Budget consultation processes with relevant stakeholders, including the community of Hantam Local Municipality and Provincial Treasury, will be undertaken as required by section 23 of the MFMA. Any other further improvements to the budget and amendments will be made in the period leading up to the final approval of the 2025/26 to 2027/28 budget (i.e. on or before end May 2025).

Lastly, let me take this opportunity to sincerely thank all role players who assisted in ensuring that the draft budget is submitted to Council for noting, leading up to the final approval of the budget on or before the end of May 2025.

I therefore table the draft budget 2025/26 to 2027/28 and the accompanying documents before Council for **APPROVAL**.

**a) Summary of the medium-term service delivery objectives and the associated medium-term financial implications contained in the annual budget.**

The executive summary and explanatory notes supporting schedules to the annual budget below explains in detail the medium-term service delivery objectives and the associated medium-term financial implications contained in the annual budget.

Refer to the DRAFT service delivery and implementation plan for the 2025/26 financial year.

**b) Summary of linkage between the annual budget, the Integrated Development Plan and the political priorities at the national, provincial, municipality and local levels.**

The DRAFT Integrated Development Plan and the political priorities at the national, provincial, municipality and local levels were considered and incorporated in compiling the annual budget.

Detail thereof is shown in the DRAFT Integrated Development Plan 2025/26 as revised.

**c) Summary of infrastructure development objectives.**

The objective of infrastructure development is to eradicate backlogs in order to improve access to service and ensure proper operations and maintenance and to ensure that an efficient, competitive and responsive economic infrastructure network exist within the municipality.

The key capital projects have been planned for the 2025/26 financial year is indicated above.

**d) Summary of material amendments made to the annual budget after the consultation processes**

As this is a DRAFT budget, these inputs from the budget consultation process will be reported on in the final budget, this includes the correction of data strings and budget alignment in terms of MSCOA.

## 1.2 COUNCIL RESOLUTION

Dat die Raad –

- (1) Die konsepbegroting van Hantam Munisipaliteit vir die 2025/2026 “MTREF” (“Medium Term Revenue and Expenditure Framework”) soos uiteengesit in die skedules goedgekeur word:
  - (i) Tabel A1 – Konsepbegroting Opsomming;
  - (ii) Tabel A2 – Konsepbegroting Finansiële Prestasie (per standaard klassifikasie);
  - (iii) Tabel A3 – Konsepbegroting Finansiële Prestasie (per munisipale posnommer);
  - (iv) Tabel A4 – Konsepbegroting Finansiële Prestasie (per inkomstebron); en
  - (v) Tabel A5 – Konsepbegroting Kapitaal Uitgawes (per munisipale posnommer en befondsingsbron);
  - (vi) Tabel A6 – Konsepbegroting Finansiële Posisie;
  - (vii) Tabel A7 – Konsepbegroting Kontantvloei;
  - (viii) Tabel A8 – Kontantgesteunde reserwes / opgehoopte surplus rekonsiliasie (Cash Backed reserves / accumulated surplus reconciliation)
  - (ix) Tabel A9 – Batebestuur (Asset Management)
  - (x) Tabel A10 - Basiese dienslewering meting (Basic service delivery measurement)
  
- (2) Die Raad om kennis te neem van die ter tafel gelê konseptariewe soos vervat vir die 2025/26-begrotingsjaar
  
- (3) kennis geneem word dat daar wel wysigings aan begrotingsverwante beleide gaan wees en ter tafel gelê gaan word by goedkeuring van finale begroting.
  
- (4) die Direkteure kontrole maatreëls in plek stel om enige oorspandering op die Bedryfs- en Kapitaalbegrotings te voorkom.
  
- (5) Die konsep begrotingsbeleide van Hantam Munisipaliteit vir die 2025/2026 finansiële jaar met voorgestelde wysigings goedgekeur word bestaande uit:
  - (i) Eiendomsbelasting/Property Rates Policy;
  - (ii) Tariewe Beleid/Tariff Policy;
  - (iii) Kredietbeheer en skuld invorderings beleid/Credit Control and Debt Collection Policy;
  - (iv) Hulpbehoewende Beleid/Indigent Policy;
  - (v) Voorsieningskanaal beleid/Supply Chain Management Policy;
  - (vi) Infrastructure Procurement and Delivery Management Policy;
  - (vii) Oordragbeleid/Virement Policy;
  - (viii) Fondse en reserwe/Funds and reserve Policy
  - (ix) Reis en Verblyf/Travel and subsistence Policy
  - (x) Langtermyn Finansiële beplanning en implimentering/Long Term Financial planning and Implimentation Policy
  - (xi) Kontant en Beleggingsbeleid/Cash and Investment Policy
  - (xii) Voorkeurverkrygingsbeleidsraamwerk/Preferential Procurment Policy
  - (xiii) Konsultasieverminderingsbeleid/Consultancy Reduction Policy
  
- (6) wysigings ten opsigte van die konsep begrotingsbeleide voorstelle kan indien teen 31 Mei 2025.

### **1.3 EXECUTIVE SUMMARY**

The Draft 2025/2026 Medium Term Revenue and Expenditure Framework (MTREF) Budget Report addresses the operating budget and tariff proposals, as well as the capital budget and funding source proposals, to ensure that Hantam Municipality renders services to the local community in a financially sustainable manner.

The process in the Municipality's annual budget is mainly guided by the strategic thrusts and operational priorities of Hantam Municipality's Integrated Development Plan (IDP), as well as the MTREF that outlines the projected annual revenue and expenditure for the budget year under consideration and the two outer financial years.

The 2025/2026 MTREF Budget Report commences with a discussion on the legislative requirements to which the Municipality must comply with; the Budget Circulars containing directives published by the National and Provincial Treasuries; as well as the key budget projections for the next three financial years.

The 2025/2026 MTREF Budget report is based on these documents, as well as forecasted economic trends and national and provincial government grant allocations.

### **1.4 ANNUAL BUDGET TABLES**

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 DRAFT budget and MTREF



**NC065 Hantam - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)**

Functional Classification Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		<b>39 398</b>	<b>46 624</b>	<b>54 837</b>	<b>50 851</b>	<b>50 933</b>	<b>50 933</b>	<b>70 846</b>	<b>73 952</b>	<b>65 350</b>
Executive and council		2 296	4 435	3 512	4 008	4 008	4 008	4 087	4 264	4 455
Finance and administration		37 102	42 190	51 325	46 843	46 925	46 925	66 758	69 688	60 896
Internal audit		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		<b>10 694</b>	<b>7 515</b>	<b>14 958</b>	<b>21 299</b>	<b>21 284</b>	<b>21 284</b>	<b>11 627</b>	<b>2 035</b>	<b>7 042</b>
Community and social services		4 477	1 828	5 883	5 956	5 956	5 956	1 962	1 901	6 902
Sport and recreation		6 217	5 688	9 075	15 344	15 329	15 329	9 665	134	140
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		<b>5 047</b>	<b>5 575</b>	<b>5 900</b>	<b>6 533</b>	<b>6 533</b>	<b>6 533</b>	<b>1 184</b>	<b>670</b>	<b>699</b>
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		4 697	5 487	5 575	6 192	6 192	6 192	808	277	290
Environmental protection		349	88	325	341	341	341	376	392	409
<i><b>Trading services</b></i>		<b>104 700</b>	<b>140 578</b>	<b>209 943</b>	<b>185 761</b>	<b>185 761</b>	<b>185 761</b>	<b>110 664</b>	<b>136 356</b>	<b>142 304</b>
Energy sources		34 950	30 822	33 177	48 734	48 734	48 734	56 576	61 089	63 783
Water management		23 006	86 539	151 754	113 060	113 060	113 060	17 284	37 183	38 938
Waste water management		37 676	13 126	15 030	13 635	13 635	13 635	25 608	26 809	27 808
Waste management		9 068	10 091	9 982	10 332	10 332	10 332	11 196	11 275	11 774
<i><b>Other</b></i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	<b>159 839</b>	<b>200 292</b>	<b>285 639</b>	<b>264 445</b>	<b>264 512</b>	<b>264 512</b>	<b>194 321</b>	<b>213 012</b>	<b>215 395</b>
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		<b>39 654</b>	<b>48 154</b>	<b>58 539</b>	<b>54 786</b>	<b>60 831</b>	<b>60 831</b>	<b>64 457</b>	<b>68 802</b>	<b>71 713</b>
Executive and council		14 332	17 365	19 317	19 389	20 545	20 545	21 570	22 956	23 953
Finance and administration		23 324	29 050	37 348	32 907	37 977	37 977	40 462	43 298	45 110
Internal audit		1 998	1 740	1 873	2 490	2 309	2 309	2 424	2 548	2 651
<i><b>Community and public safety</b></i>		<b>4 553</b>	<b>4 682</b>	<b>4 736</b>	<b>5 552</b>	<b>6 007</b>	<b>6 007</b>	<b>6 308</b>	<b>6 380</b>	<b>6 569</b>
Community and social services		3 035	3 094	3 038	3 529	3 338	3 338	3 505	3 587	3 716
Sport and recreation		1 519	1 589	1 698	2 022	2 669	2 669	2 803	2 793	2 853
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		<b>11 748</b>	<b>12 808</b>	<b>10 853</b>	<b>11 690</b>	<b>11 224</b>	<b>11 224</b>	<b>11 785</b>	<b>12 209</b>	<b>12 670</b>
Planning and development		1 968	1 850	2 027	2 871	2 429	2 429	2 550	2 687	2 806
Road transport		9 765	10 955	8 670	8 816	8 794	8 794	9 234	9 521	9 864
Environmental protection		14	3	157	4	0	0	0	0	0
<i><b>Trading services</b></i>		<b>72 094</b>	<b>74 228</b>	<b>83 300</b>	<b>80 052</b>	<b>85 820</b>	<b>85 820</b>	<b>95 162</b>	<b>90 975</b>	<b>92 961</b>
Energy sources		35 816	32 122	29 783	37 036	38 681	38 681	44 769	39 195	39 599
Water management		17 685	22 198	26 445	21 358	24 408	24 408	26 338	27 147	27 856
Waste water management		5 740	7 636	11 215	7 463	10 259	10 259	10 772	10 712	11 056
Waste management		12 854	12 272	15 856	14 195	12 472	12 472	13 283	13 920	14 450
<i><b>Other</b></i>	4	<b>82</b>	<b>61</b>	<b>68</b>	<b>81</b>	<b>85</b>	<b>85</b>	<b>89</b>	<b>92</b>	<b>95</b>
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>128 131</b>	<b>139 934</b>	<b>157 496</b>	<b>152 160</b>	<b>163 966</b>	<b>163 966</b>	<b>177 800</b>	<b>178 458</b>	<b>184 009</b>
<b>Surplus/(Deficit) for the year</b>		<b>31 708</b>	<b>60 359</b>	<b>128 143</b>	<b>112 285</b>	<b>100 546</b>	<b>100 546</b>	<b>16 521</b>	<b>34 555</b>	<b>31 386</b>

**NC065 Hantam - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Revenue by Vote</b>	1									
Vote 01 - Executive & Council		2 296	4 435	3 512	4 008	4 008	4 008	4 087	4 264	4 455
Vote 02 - Budget & Treasury Office		19 604	22 370	31 607	25 671	25 671	25 671	44 174	46 130	48 167
Vote 03 - Corporate Services		17 499	19 819	19 717	21 172	21 254	21 254	22 584	23 558	12 729
Vote 04 - Community & Social Services		4 477	1 828	5 883	5 956	5 956	5 956	1 962	1 901	6 902
Vote 05 - Sports & Recreation		6 567	5 776	9 400	15 685	15 670	15 670	10 041	526	550
Vote 06 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 07 - Planning & Development		-	-	-	-	-	-	-	-	-
Vote 08 - Road Transport		4 697	5 487	5 575	6 192	6 192	6 192	808	277	290
Vote 09 - Electricity		34 950	30 822	33 177	48 734	48 734	48 734	56 576	61 089	63 783
Vote 10 - Water		23 006	86 539	151 754	113 060	113 060	113 060	17 284	37 183	38 938
Vote 11 - Waste Water Management		37 676	13 126	15 030	13 635	13 635	13 635	25 608	26 809	27 808
Vote 12 - Solid Waste		9 068	10 091	9 982	10 332	10 332	10 332	11 196	11 275	11 774
Vote 13 - Own Other		-	-	-	-	-	-	-	-	-
Vote 14 - Environmental Health		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>159 839</b>	<b>200 292</b>	<b>285 639</b>	<b>264 445</b>	<b>264 512</b>	<b>264 512</b>	<b>194 321</b>	<b>213 012</b>	<b>215 395</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 01 - Executive & Council		16 331	19 105	21 191	21 879	22 854	22 854	23 995	25 504	26 603
Vote 02 - Budget & Treasury Office		13 784	16 919	26 378	19 045	24 227	24 227	25 773	28 055	30 294
Vote 03 - Corporate Services		9 371	12 040	9 383	14 261	13 846	13 846	14 791	15 350	14 928
Vote 04 - Community & Social Services		2 847	2 971	2 991	3 379	3 268	3 268	3 432	3 515	3 642
Vote 05 - Sports & Recreation		1 485	1 527	1 784	1 969	2 613	2 613	2 743	2 730	2 788
Vote 06 - Public Safety		182	117	41	144	64	64	67	66	67
Vote 07 - Planning & Development		663	488	584	923	784	784	823	867	905
Vote 08 - Road Transport		9 624	10 812	8 533	8 527	8 505	8 505	8 930	9 201	9 530
Vote 09 - Electricity		37 374	34 197	32 920	38 630	40 275	40 275	46 442	40 959	41 441
Vote 10 - Water		17 794	21 788	26 551	21 665	24 715	24 715	26 661	27 487	28 211
Vote 11 - Waste Water Management		5 740	7 636	11 215	7 463	10 259	10 259	10 772	10 712	11 056
Vote 12 - Solid Waste		12 854	12 272	15 856	14 195	12 472	12 472	13 283	13 920	14 450
Vote 13 - Own Other		82	61	68	81	85	85	89	92	95
Vote 14 - Environmental Health		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>128 131</b>	<b>139 934</b>	<b>157 496</b>	<b>152 160</b>	<b>163 966</b>	<b>163 966</b>	<b>177 800</b>	<b>178 458</b>	<b>184 009</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>31 708</b>	<b>60 359</b>	<b>128 143</b>	<b>112 285</b>	<b>100 546</b>	<b>100 546</b>	<b>16 521</b>	<b>34 555</b>	<b>31 386</b>



NC065 Hantam - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>	1										
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	32 335	27 998	30 149	42 940	42 940	42 940	25 060	51 575	53 948	56 321
Service charges - Water	2	10 021	12 112	11 128	12 051	12 051	12 051	10 150	13 274	13 864	14 474
Service charges - Waste Water Management	2	6 166	6 976	6 363	6 630	6 630	6 630	7 069	7 302	7 638	7 974
Service charges - Waste Management	2	6 006	6 613	6 351	6 554	6 554	6 554	6 841	7 218	7 550	7 883
Sale of Goods and Rendering of Services		193	142	212	292	292	292	207	322	336	351
Agency services		107	216	182	212	212	212	(50)	234	244	255
Interest											
Interest earned from Receivables		1 434	1 452	1 555	1 684	1 684	1 684	925	1 855	1 937	2 022
Interest earned from Current and Non Current Assets		472	1 783	2 402	2 106	2 106	2 106	1 370	2 319	2 421	2 528
Dividends											
Rent on Land											
Rental from Fixed Assets		217	232	264	259	259	259	197	285	298	311
Licence and permits		687	423	333	348	348	348	219	383	400	418
<b>Special rating levies</b>											
Operational Revenue		2 547	2 419	1 001	3 924	3 924	3 924	11	4 322	4 513	4 711
<b>Non-Exchange Revenue</b>											
Property rates	2	16 355	18 106	19 520	20 506	20 506	20 506	19 926	38 577	40 275	42 047
Surcharges and Taxes											
Fines, penalties and forfeits		28	45	6	30	30	30	3	33	34	36
Licences or permits											
Transfer and subsidies - Operational		32 202	36 763	39 027	40 920	41 002	41 002	(7 807)	42 913	43 378	33 363
Interest		1 328	2 344	2 183	1 129	1 129	1 129	-	1 243	1 298	1 355
Fuel Levy											
Operational Revenue											
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Gains		471	1 342	8 176	485	485	485	-	534	558	582
<b>Discontinued Operations</b>											
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>110 571</b>	<b>118 966</b>	<b>128 850</b>	<b>140 069</b>	<b>140 151</b>	<b>140 151</b>	<b>64 123</b>	<b>172 392</b>	<b>178 691</b>	<b>174 630</b>
<b>Expenditure</b>											
Employee related costs	2	35 853	44 483	47 600	57 567	54 890	54 890	33 256	59 117	61 938	63 784
Remuneration of councillors		4 563	5 389	5 710	5 870	5 870	5 870	3 344	6 164	6 497	6 782
Bulk purchases - electricity	2	25 839	24 877	30 183	29 704	31 704	31 704	21 958	33 290	27 411	27 411
Inventory consumed	8	17 848	(1 076)	10 024	3 079	3 262	3 262	(6 761)	3 425	3 583	3 740
Debt impairment	3	11 394	10 790	17 705	-	1 357	1 357	-	5 578	5 879	6 138
Depreciation and amortisation		9 651	9 017	7 800	17 620	18 091	18 091	-	18 996	18 171	18 051
Interest		2 099	1 907	1 661	2 239	2 309	2 309	-	2 425	2 536	2 648
Contracted services		12 184	14 733	13 093	16 942	23 825	23 825	15 706	25 016	27 166	29 362
Transfers and subsidies		217	119	150	-	-	-	25	-	300	300
Irrecoverable debts written off		3 477	4 511	6 257	6 072	6 072	6 072	-	6 376	6 452	6 452
Operational costs		6 885	8 416	9 418	11 735	15 556	15 556	7 774	16 334	17 385	18 151
Losses on disposal of Assets		5 598	3 177	5 035	-	-	-	-	-	-	-
Other Losses		-	-	515	1 329	1 029	1 029	-	1 080	1 139	1 189
<b>Total Expenditure</b>		<b>135 608</b>	<b>126 343</b>	<b>155 152</b>	<b>152 160</b>	<b>163 966</b>	<b>163 966</b>	<b>75 301</b>	<b>177 800</b>	<b>178 458</b>	<b>184 009</b>
<b>Surplus/(Deficit)</b>		<b>(25 037)</b>	<b>(7 377)</b>	<b>(26 301)</b>	<b>(12 091)</b>	<b>(23 815)</b>	<b>(23 815)</b>	<b>(11 178)</b>	<b>(5 408)</b>	<b>234</b>	<b>(9 379)</b>
Transfers and subsidies - capital (monetary allocations)	6	23 051	75 807	154 724	124 376	124 361	124 361	101 132	21 929	34 321	40 765
Transfers and subsidies - capital (in-kind)	6	26 217	5 519	2 064	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>24 231</b>	<b>73 949</b>	<b>130 488</b>	<b>112 285</b>	<b>100 546</b>	<b>100 546</b>	<b>89 954</b>	<b>16 521</b>	<b>34 555</b>	<b>31 386</b>
Income Tax											
<b>Surplus/(Deficit) after income tax</b>		<b>24 231</b>	<b>73 949</b>	<b>130 488</b>	<b>112 285</b>	<b>100 546</b>	<b>100 546</b>	<b>89 954</b>	<b>16 521</b>	<b>34 555</b>	<b>31 386</b>
Share of Surplus/Deficit attributable to Joint Venture											
Share of Surplus/Deficit attributable to Minorities											
<b>Surplus/(Deficit) attributable to municipality</b>		<b>24 231</b>	<b>73 949</b>	<b>130 488</b>	<b>112 285</b>	<b>100 546</b>	<b>100 546</b>	<b>89 954</b>	<b>16 521</b>	<b>34 555</b>	<b>31 386</b>
Share of Surplus/Deficit attributable to Associate Intercompany/Parent subsidiary transactions	7										
<b>Surplus/(Deficit) for the year</b>	1	<b>24 231</b>	<b>73 949</b>	<b>130 488</b>	<b>112 285</b>	<b>100 546</b>	<b>100 546</b>	<b>89 954</b>	<b>16 521</b>	<b>34 555</b>	<b>31 386</b>

**NC065 Hantam - Table A5 Capital budget**

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>	1										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 02 - Budget & Treasury Office		-	-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 04 - Community & Social Services		-	-	-	-	-	-	-	-	-	-
Vote 05 - Sports & Recreation		-	-	-	-	-	-	-	-	-	-
Vote 06 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 07 - Planning & Development		-	-	-	-	-	-	-	-	-	-
Vote 08 - Road Transport		8 290	3 533	1 267	7 500	7 500	7 500	2 173	1 299	3 020	7 486
Vote 09 - Electricity		-	-	3 912	6 547	6 547	6 547	3 355	-	-	-
Vote 10 - Water		12 231	59 742	122 433	97 200	97 200	97 200	76 725	-	16 758	17 597
Vote 11 - Waste Water Management		-	174	10 768	20 629	20 614	20 614	6 146	9 462	9 937	10 212
Vote 12 - Solid Waste		-	-	-	-	-	-	-	-	-	-
Vote 13 - Own Other		-	-	-	-	-	-	-	-	-	-
Vote 14 - Environmental Health		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	<b>20 521</b>	<b>63 449</b>	<b>138 380</b>	<b>131 876</b>	<b>131 861</b>	<b>131 861</b>	<b>88 399</b>	<b>10 761</b>	<b>29 715</b>	<b>35 294</b>
<b>Single-year expenditure to be appropriated</b>	2										
Vote 01 - Executive & Council		-	1 533	63	150	150	150	68	-	-	-
Vote 02 - Budget & Treasury Office		-	-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		1 579	164	187	300	300	300	151	606	390	390
Vote 04 - Community & Social Services		-	-	-	-	-	-	-	-	-	-
Vote 05 - Sports & Recreation		-	-	33	-	-	-	-	8 225	-	-
Vote 06 - Public Safety		-	12	-	-	-	-	-	-	-	-
Vote 07 - Planning & Development		-	-	-	-	-	-	-	-	-	-
Vote 08 - Road Transport		-	-	-	-	-	-	-	-	-	-
Vote 09 - Electricity		-	-	88	1 500	1 500	1 500	351	-	-	-
Vote 10 - Water		-	-	41	-	-	-	-	173	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Vote 12 - Solid Waste		-	193	-	-	-	-	-	-	-	-
Vote 13 - Own Other		-	-	-	-	-	-	-	-	-	-
Vote 14 - Environmental Health		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>1 579</b>	<b>1 902</b>	<b>411</b>	<b>1 950</b>	<b>1 950</b>	<b>1 950</b>	<b>570</b>	<b>9 004</b>	<b>390</b>	<b>390</b>
<b>Total Capital Expenditure - Vote</b>		<b>22 100</b>	<b>65 351</b>	<b>138 791</b>	<b>133 826</b>	<b>133 811</b>	<b>133 811</b>	<b>88 969</b>	<b>19 765</b>	<b>30 105</b>	<b>35 684</b>
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		<b>1 579</b>	<b>1 696</b>	<b>250</b>	<b>450</b>	<b>450</b>	<b>450</b>	<b>219</b>	<b>606</b>	<b>390</b>	<b>390</b>
Executive and council		-	1 413	-	-	-	-	-	-	-	-
Finance and administration		1 579	164	187	300	300	300	151	606	390	390
Internal audit		-	120	63	150	150	150	68	-	-	-
<b>Community and public safety</b>		<b>-</b>	<b>12</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8 225</b>	<b>-</b>	<b>-</b>
Community and social services		-	12	-	-	-	-	-	-	-	-
Sport and recreation		-	-	33	-	-	-	-	8 225	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>8 290</b>	<b>3 533</b>	<b>1 267</b>	<b>7 500</b>	<b>7 500</b>	<b>7 500</b>	<b>2 173</b>	<b>-</b>	<b>-</b>	<b>-</b>
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		8 290	3 533	1 267	7 500	7 500	7 500	2 173	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>12 231</b>	<b>60 109</b>	<b>137 242</b>	<b>125 876</b>	<b>125 861</b>	<b>125 861</b>	<b>86 577</b>	<b>10 934</b>	<b>29 715</b>	<b>35 294</b>
Energy sources		-	-	3 999	8 047	8 047	8 047	3 706	1 299	3 020	7 486
Water management		12 231	59 742	122 474	97 200	97 200	97 200	76 725	-	16 758	17 597
Waste water management		-	174	10 768	20 629	20 614	20 614	6 146	9 462	9 937	10 212
Waste management		-	193	-	-	-	-	-	-	-	-
<b>Other</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional</b>	3	<b>22 100</b>	<b>65 351</b>	<b>138 791</b>	<b>133 826</b>	<b>133 811</b>	<b>133 811</b>	<b>88 969</b>	<b>19 765</b>	<b>30 105</b>	<b>35 684</b>
<b>Funded by:</b>											
National Government		20 521	63 581	137 176	124 526	124 511	124 511	86 294	18 986	29 715	35 294
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	<b>20 521</b>	<b>63 581</b>	<b>137 176</b>	<b>124 526</b>	<b>124 511</b>	<b>124 511</b>	<b>86 294</b>	<b>18 986</b>	<b>29 715</b>	<b>35 294</b>
<b>Borrowing</b>	6	<b>-</b>	<b>1 413</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Internally generated funds		1 579	357	1 616	9 300	9 300	9 300	2 675	779	390	390
<b>Total Capital Funding</b>	7	<b>22 100</b>	<b>65 351</b>	<b>138 791</b>	<b>133 826</b>	<b>133 811</b>	<b>133 811</b>	<b>88 969</b>	<b>19 765</b>	<b>30 105</b>	<b>35 684</b>

**NC065 Hantam - Table A6 Budgeted Financial Position**

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>ASSETS</b>											
<b>Current assets</b>											
Cash and cash equivalents		3 117	6 238	17 661	326	6 791	6 791	60 848	9 145	16 406	28 220
Trade and other receivables from exchange transactions	1	8 438	10 068	6 277	12 741	11 087	11 087	17 028	13 607	22 123	31 294
Receivables from non-exchange transactions	1	5 744	6 902	2 703	14 780	30 882	30 882	11 636	34 463	42 170	50 215
Current portion of non-current receivables											
Inventory	2	51	54	93	247	256	256	93	428	607	794
VAT		4 283	10 986	14 608	10 986	2 304	2 304	12 827	13 913	12 480	13 025
Other current assets		777	768	928	768	928	928	916	928	928	928
<b>Total current assets</b>		<b>22 410</b>	<b>35 016</b>	<b>42 270</b>	<b>39 847</b>	<b>52 249</b>	<b>52 249</b>	<b>103 349</b>	<b>72 484</b>	<b>94 713</b>	<b>124 477</b>
<b>Non current assets</b>											
Investments											
Investment property		37 734	37 734	45 717 950.00	37 734	45 718	45 718	45 718	45 718	45 718	45 718
Property, plant and equipment	3	469 154	526 093	649 875	785 835	765 609	765 609	738 844	766 393	778 341	795 988
Biological assets		-	-	-	-	-	-	-	-	-	-
Living and non-living resources											
Heritage assets		1 618	1 618	1 618	1 618	1 618	1 618	1 618	1 618	1 618	1 618
Intangible assets		1 628	1 554	1 431	1 527	1 417	1 417	1 431	1 402	1 388	1 375
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>510 135</b>	<b>567 000</b>	<b>698 642</b>	<b>826 715</b>	<b>814 361</b>	<b>814 361</b>	<b>787 611</b>	<b>815 131</b>	<b>827 065</b>	<b>844 698</b>
<b>TOTAL ASSETS</b>		<b>532 545</b>	<b>602 015</b>	<b>740 912</b>	<b>866 562</b>	<b>866 610</b>	<b>866 610</b>	<b>890 960</b>	<b>887 615</b>	<b>921 778</b>	<b>969 175</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft											
Financial liabilities		248	22	186	22	186	186	186	186	186	186
Consumer deposits		1 299	1 430	1 561	1 430	1 561	1 561	1 637	1 561	1 561	1 561
Trade and other payables from exchange transactions	4	39 030	42 954	55 272	24 483	30 773	30 773	31 786	31 786	27 064	24 703
Trade and other payables from non-exchange transactions	5	-	5 836	2 148	-	-	-	(82)	(82)	(164)	11 631
Provision		4 006	4 242	4 138	8 263	6 638	6 638	4 138	9 362	12 233	15 233
VAT		1 112	939	304	939	-	-	6 633	13 032	11 637	12 147
Other current liabilities											
<b>Total current liabilities</b>		<b>45 696</b>	<b>55 423</b>	<b>63 609</b>	<b>35 137</b>	<b>39 158</b>	<b>39 158</b>	<b>44 298</b>	<b>55 845</b>	<b>52 517</b>	<b>65 461</b>
<b>Non current liabilities</b>											
Financial liabilities	6	22	0	335	-	335	335	335	335	335	335
Provision	7	34 555	32 400	34 447	38 965	37 135	37 135	34 447	39 933	42 870	45 935
Long term portion of trade payables		-	-	-	18 647	18 604	18 604	-	18 604	18 604	18 604
Other non-current liabilities											
<b>Total non current liabilities</b>		<b>34 578</b>	<b>32 400</b>	<b>34 782</b>	<b>57 612</b>	<b>56 075</b>	<b>56 075</b>	<b>34 782</b>	<b>58 873</b>	<b>61 809</b>	<b>64 874</b>
<b>TOTAL LIABILITIES</b>		<b>80 274</b>	<b>87 824</b>	<b>98 391</b>	<b>92 749</b>	<b>95 233</b>	<b>95 233</b>	<b>79 080</b>	<b>114 717</b>	<b>114 326</b>	<b>130 336</b>
<b>NET ASSETS</b>		<b>452 271</b>	<b>514 192</b>	<b>642 521</b>	<b>773 812</b>	<b>771 377</b>	<b>771 377</b>	<b>811 879</b>	<b>772 898</b>	<b>807 453</b>	<b>838 839</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated surplus/(deficit)	8	442 243	525 231	642 314	771 369	768 826	768 826	729 657	669 800	788 381	801 733
Reserves and funds	9	2 551	2 551	2 551	2 551	2 551	2 551	2 551	2 551	2 551	2 551
Other											
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	10	<b>444 794</b>	<b>527 782</b>	<b>644 865</b>	<b>773 920</b>	<b>771 377</b>	<b>771 377</b>	<b>732 208</b>	<b>672 352</b>	<b>790 932</b>	<b>804 284</b>

Store Type	Classification	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>											
Agricultural	Opening balance - Agricultural	-	-	-	-	-	-	-	-	-	-
	Acquisitions - Agricultural	-	-	-	-	-	-	-	-	-	-
	Adjustments - Agricultural	-	-	-	-	-	-	-	-	-	-
	Issues - Agricultural	-	-	-	-	-	-	-	-	-	-
	Write Off - Agricultural	-	-	-	-	-	-	-	-	-	-
	Correction of Prior period errors - Agricultural	-	-	-	-	-	-	-	-	-	-
<b>Agricultural Total</b>		-	-	-	-	-	-	-	-	-	-
Consumables Standard Rated	Opening balance - Consumables Standard Rated	-	-	-	-	-	-	-	25	52	80
	Acquisitions - Consumables Standard Rated	-	-	-	571	530	530	-	557	608	608
	Adjustments - Consumables Standard Rated	-	-	-	(543)	(505)	(505)	-	(530)	(555)	(579)
	Issues - Consumables Standard Rated	-	-	-	-	-	-	-	-	-	-
	Write Off - Consumables Standard Rated	-	-	-	-	-	-	-	-	-	-
	Correction of Prior period errors - Consumables Standard Rated	-	-	-	-	-	-	-	-	-	-
<b>Consumables Standard Rated Total</b>		-	-	-	27	25	25	-	52	80	108
Consumables Zero Rated	Opening balance - Consumables Zero Rated	-	-	-	-	-	-	-	138	283	434
	Acquisitions - Consumables Zero Rated	-	-	-	2 663	2 895	2 895	-	3 040	3 179	3 319
	Adjustments - Consumables Zero Rated	-	-	-	(2 536)	(2 757)	(2 757)	-	(2 895)	(3 028)	(3 161)
	Issues - Consumables Zero Rated	-	-	-	-	-	-	-	-	-	-
	Write Off - Consumables Zero Rated	-	-	-	-	-	-	-	-	-	-
	Correction of Prior period errors - Consumables Zero Rated	-	-	-	-	-	-	-	-	-	-
<b>Consumables Zero Rated Total</b>		-	-	-	127	138	138	-	283	434	592
Finished Goods	Opening balance - Finished Goods	-	-	-	-	-	-	-	-	-	-
	Acquisitions - Finished Goods	-	-	-	-	-	-	-	-	-	-
	Adjustments - Finished Goods	-	-	-	-	-	-	-	-	-	-
	Issues - Finished Goods	-	-	-	-	-	-	-	-	-	-
	Write Off - Finished Goods	-	-	-	-	-	-	-	-	-	-
	Correction of Prior period errors - Finished Goods	-	-	-	-	-	-	-	-	-	-
<b>Finished Goods Total</b>		-	-	-	-	-	-	-	-	-	-
Housing Stock	Opening balance - Housing Stock	-	-	-	-	-	-	-	-	-	-
	Acquisitions - Housing Stock	-	-	-	-	-	-	-	-	-	-
	Sales - Housing Stock	-	-	-	-	-	-	-	-	-	-
	Transfer - Housing stock	-	-	-	-	-	-	-	-	-	-
	Correction of Prior period errors - Housing stock	-	-	-	-	-	-	-	-	-	-
<b>Housing Stock Total</b>		-	-	-	-	-	-	-	-	-	-
Land	Opening balance - Land	-	-	-	-	-	-	-	-	-	-
	Acquisitions - Land	-	-	-	-	-	-	-	-	-	-
	Sales - land	-	-	-	-	-	-	-	-	-	-
	Adjustments - Land	-	-	-	-	-	-	-	-	-	-
	Correction of Prior period errors - Land	-	-	-	-	-	-	-	-	-	-
	Transfers - Land	-	-	-	-	-	-	-	-	-	-
<b>Land Total</b>		-	-	-	-	-	-	-	-	-	-
Materials and Supplies	Opening balance - Materials and Supplies	-	-	-	-	-	-	-	-	-	-
	Acquisitions - Materials and Supplies	-	-	-	-	-	-	-	-	-	-
	Adjustments - Materials and Supplies	-	-	-	-	-	-	-	-	-	-
	Issues - Materials and Supplies	-	-	-	-	-	-	-	-	-	-
	Write Off - Materials and Supplies	-	-	-	-	-	-	-	-	-	-
	Correction of Prior period errors - Materials and Supplies	-	-	-	-	-	-	-	-	-	-
<b>Materials and Supplies Total</b>		-	-	-	-	-	-	-	-	-	-
Water	Opening balance - Water	-	-	-	-	-	-	-	-	-	-
	Acquisitions - Water bulk purchases	-	(1 073)	(4 597)	-	-	-	(6 761)	-	-	-
	Acquisitions - Water natural sources	-	-	-	-	-	-	-	-	-	-
	Acquisitions - Water treatment works	-	-	-	-	-	-	-	-	-	-
	Billed Authorised Consumption: Billed Metered Consumption: Free Basic Water	-	-	-	-	-	-	-	-	-	-
	Billed Authorised Consumption: Billed Metered Consumption: Revenue Water	-	1 073	4 597	-	-	-	6 761	-	-	-
	Billed Authorised Consumption: Billed Metered Consumption: Subsidised Water	-	-	-	-	-	-	-	-	-	-
	Billed Authorised Consumption: Billed Unmetered Consumption: Free Basic Water	-	-	-	-	-	-	-	-	-	-
	Billed Authorised Consumption: Billed Unmetered Consumption: Revenue Water	-	-	-	-	-	-	-	-	-	-
	Billed Authorised Consumption: Billed Unmetered Consumption: Subsidised Water	-	-	-	-	-	-	-	-	-	-
	Data Transfer and Management Errors	-	-	-	-	-	-	-	-	-	-
	Non-revenue Water	-	-	-	-	-	-	-	-	-	-
	Unavoidable Annual Real Losses	-	-	-	-	-	-	-	-	-	-
	Unbilled Authorised Consumption: Unbilled Metered Consumption	-	-	-	-	-	-	-	-	-	-
	Unbilled Authorised Consumption: Unbilled Unmetered Consumption	-	-	-	-	-	-	-	-	-	-
	Water Losses: Apparent Losses: Customer Meter Inaccuracies	-	-	-	-	-	-	-	-	-	-
	Water Losses: Apparent Losses: Unauthorised Consumption	-	-	-	-	-	-	-	-	-	-
	Water Losses: Real Losses: Leakage and Overflows at Storage Tanks/Reservoirs	-	-	-	-	-	-	-	-	-	-
	Water Losses: Real Losses: Leakage on Service Connections up to the point of Customer Meter	-	-	-	-	-	-	-	-	-	-
	Water Losses: Real Losses: Leakage on Transmission and Distribution Mains	-	-	-	-	-	-	-	-	-	-
	Correction of Prior period errors - Water	-	-	-	-	-	-	-	-	-	-
<b>Water Total</b>		-	-	-	-	-	-	-	-	-	-
Work-in-progress	Opening balance - WIP	-	-	-	-	-	-	-	-	-	-
	Materials - WIP	-	-	-	-	-	-	-	-	-	-
	Transfer - WIP	-	-	-	-	-	-	-	-	-	-
<b>Work-in-progress Total</b>		-	-	-	-	-	-	-	-	-	-
<b>Grand Total</b>		-	-	-	154	163	163	-	334	513	701

NC065 Hantam - Table A7 Budgeted Cash Flows

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 FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		10 172	11 527	12 897	17 110	17 110	17 110	8 115	36 240	33 866	35 356
Service charges		60 272	50 967	43 013	62 473	62 473	62 473	40 001	80 101	76 061	79 407
Other revenue		97 639	217 853	446 493	4 793	19 097	19 097	218 879	7 298	8 382	9 317
Transfers and Subsidies - Operational	1	39 572	52 702	33 279	40 920	41 002	41 002	(3 243)	42 831	43 296	45 158
Transfers and Subsidies - Capital	1	13 051	51 966	(1 306)	124 376	124 361	124 361	117 287	21 929	34 321	40 765
Interest		472	1 721	2 611	2 106	2 106	2 106	1 058	2 319	2 421	2 528
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(214 765)	(305 767)	(419 072)	(116 610)	(137 706)	(137 706)	(270 430)	(168 426)	(160 799)	(164 844)
Interest		-	-	-	(95)	(165)	(165)	-	(173)	(181)	(189)
Transfers and Subsidies	1	-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>6 412</b>	<b>80 969</b>	<b>117 915</b>	<b>135 071</b>	<b>128 277</b>	<b>128 277</b>	<b>111 667</b>	<b>22 119</b>	<b>37 366</b>	<b>47 498</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(22 100)	(65 351)	(138 791)	(133 826)	(133 811)	(133 811)	(67 068)	(22 730)	(34 620)	(41 037)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(22 100)</b>	<b>(65 351)</b>	<b>(138 791)</b>	<b>(133 826)</b>	<b>(133 811)</b>	<b>(133 811)</b>	<b>(67 068)</b>	<b>(22 730)</b>	<b>(34 620)</b>	<b>(41 037)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	521	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	(56)	-	-	-	57	-	-	-
<b>Payments</b>											
Repayment of borrowing		(214)	(248)	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(214)</b>	<b>(248)</b>	<b>466</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(15 902)</b>	<b>15 371</b>	<b>(20 411)</b>	<b>1 245</b>	<b>(5 534)</b>	<b>(5 534)</b>	<b>44 656</b>	<b>(611)</b>	<b>2 746</b>	<b>6 462</b>
Cash/cash equivalents at the year begin:	2	9 233	3 117	6 238	4 430	17 661	17 661	-	6 791	6 180	8 926
Cash/cash equivalents at the year end:	2	(6 669)	18 488	(14 173)	5 676	12 126	12 126	44 656	6 180	8 926	15 387

**NC065 Hantam - 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>R thousand</b>											
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	(6 669)	18 488	(14 173)	5 676	12 126	12 126	44 656	6 180	8 926	15 387
Other current investments > 90 days		9 787	(12 250)	31 834	(5 350)	(5 335)	(5 335)	16 191	2 965	7 481	12 833
Non current Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>3 117</b>	<b>6 238</b>	<b>17 661</b>	<b>326</b>	<b>6 791</b>	<b>6 791</b>	<b>60 848</b>	<b>9 145</b>	<b>16 406</b>	<b>28 220</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		-	5 836	2 148	-	-	-	25 720	(82)	(164)	11 631
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	(3 171)	(10 047)	(14 304)	(10 047)	(2 304)	(2 304)	(6 194)	(882)	(844)	(878)
Other working capital requirements	3	25 214	16 526	30 145	13 808	11 734	11 734	44 515	(16 439)	(31 990)	(50 509)
Other provisions		4 006	4 242	4 138	8 263	6 638	6 638	4 138	9 362	12 233	15 233
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>26 050</b>	<b>16 557</b>	<b>22 126</b>	<b>12 024</b>	<b>16 068</b>	<b>16 068</b>	<b>68 178</b>	<b>(8 041)</b>	<b>(20 765)</b>	<b>(24 523)</b>
<b>Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits</b>		<b>(22 932)</b>	<b>(10 319)</b>	<b>(4 466)</b>	<b>(11 698)</b>	<b>(9 276)</b>	<b>(9 276)</b>	<b>(7 330)</b>	<b>17 186</b>	<b>37 171</b>	<b>52 743</b>
<b>Creditors transferred to Debt Relief - Non-Current portion</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>(22 932)</b>	<b>(10 319)</b>	<b>(4 466)</b>	<b>(11 698)</b>	<b>(9 276)</b>	<b>(9 276)</b>	<b>(7 330)</b>	<b>17 186</b>	<b>37 171</b>	<b>52 743</b>

**NC065 Hantam - Table A9 Asset Management**

<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	405 668	456 763	588 405	716 478	704 125	704 125	704 895	716 829	734 462
<i>Roads Infrastructure</i>		45 633	47 936	48 172	55 253	53 938	53 938	52 118	50 390	48 663
<i>Storm water Infrastructure</i>		–	–	(212)	–	(212)	(212)	(212)	(212)	(212)
<i>Electrical Infrastructure</i>		46 922	45 730	48 185	54 812	54 714	54 714	54 419	55 927	61 900
<i>Water Supply Infrastructure</i>		177 592	227 202	339 409	444 278	428 086	428 086	419 137	426 907	435 515
<i>Sanitation Infrastructure</i>		52 811	51 574	60 495	84 945	79 122	79 122	86 497	94 852	103 482
<i>Solid Waste Infrastructure</i>		3 056	357	1 532	(53)	1 322	1 322	1 102	893	684
<b>Infrastructure</b>		<b>326 015</b>	<b>372 800</b>	<b>497 580</b>	<b>639 236</b>	<b>616 969</b>	<b>616 969</b>	<b>613 059</b>	<b>628 756</b>	<b>650 032</b>
<b>Community Assets</b>		27 901	31 242	29 534	27 094	27 382	27 382	33 347	31 232	29 117
<b>Heritage Assets</b>		1 618	1 618	1 618	1 618	1 618	1 618	1 618	1 618	1 618
<b>Investment properties</b>		37 734	37 734	45 718	37 734	45 718	45 718	45 718	45 718	45 718
<b>Other Assets</b>		1 353	1 313	1 313	1 083	1 184	1 184	1 049	908	790
<b>Biological or Cultivated Assets</b>		–	–	–	–	–	–	–	–	–
<b>Intangible Assets</b>		1 628	1 554	1 431	1 527	1 417	1 417	1 402	1 388	1 375
<b>Computer Equipment</b>		1 834	1 767	1 730	2 141	1 774	1 774	1 981	1 959	2 052
<b>Furniture and Office Equipment</b>		792	1 278	1 649	732	1 424	1 424	1 160	878	577
<b>Machinery and Equipment</b>		576	373	327	(14)	34	34	(101)	(393)	(685)
<b>Transport Assets</b>		4 431	5 299	5 720	3 542	4 820	4 820	3 876	2 979	2 083
<b>Land</b>		1 785	1 785	1 785	1 785	1 785	1 785	1 785	1 785	1 785
<b>Zoo's, Marine and Non-biological Animals</b>										
<b>Living Resources</b>										
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	<b>405 668</b>	<b>456 763</b>	<b>588 405</b>	<b>716 478</b>	<b>704 125</b>	<b>704 125</b>	<b>704 895</b>	<b>716 829</b>	<b>734 462</b>
<b>EXPENDITURE OTHER ITEMS</b>		<b>18 585</b>	<b>22 064</b>	<b>17 188</b>	<b>29 851</b>	<b>33 301</b>	<b>33 301</b>	<b>34 966</b>	<b>35 875</b>	<b>37 534</b>
<b>Depreciation</b>	7	9 651	9 017	7 800	17 620	18 091	18 091	18 996	18 171	18 051
<b>Repairs and Maintenance by Asset Class</b>	3	<b>8 934</b>	<b>13 047</b>	<b>9 389</b>	<b>12 231</b>	<b>15 209</b>	<b>15 209</b>	<b>15 970</b>	<b>17 704</b>	<b>19 483</b>
<i>Roads Infrastructure</i>		597	997	313	381	380	380	399	418	436
<i>Storm water Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Electrical Infrastructure</i>		522	358	312	506	471	471	495	517	540
<b>Infrastructure</b>		<b>1 119</b>	<b>1 355</b>	<b>625</b>	<b>887</b>	<b>851</b>	<b>851</b>	<b>894</b>	<b>935</b>	<b>976</b>
Community Facilities		136	253	265	197	70	70	74	77	80
Sport and Recreation Facilities		134	235	187	314	214	214	225	235	245
<b>Community Assets</b>		<b>270</b>	<b>488</b>	<b>452</b>	<b>511</b>	<b>284</b>	<b>284</b>	<b>298</b>	<b>312</b>	<b>326</b>
<b>Investment properties</b>		–	–	–	–	–	–	–	–	–
Operational Buildings		327	339	113	451	644	644	676	707	738
Housing		–	–	–	–	–	–	–	–	–
<b>Other Assets</b>		<b>327</b>	<b>339</b>	<b>113</b>	<b>451</b>	<b>644</b>	<b>644</b>	<b>676</b>	<b>707</b>	<b>738</b>
<b>Intangible Assets</b>		–	–	–	–	–	–	–	–	–
<b>Computer Equipment</b>		66	34	38	50	7	7	8	8	8
<b>Furniture and Office Equipment</b>		5 018	7 230	5 347	6 568	9 264	9 264	9 727	11 175	12 667
<b>Machinery and Equipment</b>		768	601	152	854	841	841	883	923	964
<b>Transport Assets</b>		1 366	3 000	2 661	2 910	3 318	3 318	3 484	3 644	3 805
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>18 585</b>	<b>22 064</b>	<b>17 188</b>	<b>29 851</b>	<b>33 301</b>	<b>33 301</b>	<b>34 966</b>	<b>35 875</b>	<b>37 534</b>
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		37.5%	5.7%	11.5%	27.0%	27.0%	27.0%	96.1%	43.0%	49.6%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		85.9%	41.6%	204.5%	205.3%	199.9%	199.9%	99.9%	71.3%	98.0%
<i>R&amp;M as a % of PPE &amp; Investment Property</i>		2.2%	2.9%	1.6%	1.7%	2.2%	2.2%	2.3%	2.5%	2.7%
<i>Renewal and upgrading and R&amp;M as a % of PPE and Investment Property</i>		4.3%	3.7%	4.3%	6.8%	7.3%	7.3%	5.0%	4.3%	5.1%

NC065 Hantam - Table A10 Basic service delivery measurement

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>										
Water (6 kilolitres per indigent household per month)		2 816	2 199	2 768	3 552	3 552	3 552	3 912	4 092	4 272
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		1 514	1 380	1 751	1 846	1 846	1 846	2 033	2 126	2 220
Refuse (removed once a week for indigent households)		2 815	2 645	3 356	3 644	3 644	3 644	4 014	4 198	4 383
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>										
<b>Total cost of FBS provided</b>	8	<b>7 145</b>	<b>6 224</b>	<b>7 876</b>	<b>9 042</b>	<b>9 042</b>	<b>9 042</b>	<b>9 959</b>	<b>10 417</b>	<b>10 875</b>
<b>Highest level of free service provided per household</b>										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
<b>Revenue cost of subsidised services provided (R'000)</b>										
Property rates (tariff adjustment) ( impermissible values per section 17 of MPRA)	9									
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		6 274	6 738	7 453	7 259	7 259	7 259	(7 996)	(8 348)	(8 715)
Water (in excess of 6 kilolitres per indigent household per month)		(3)	(181)	(175)	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		2 742	2 591	3 334	3 151	3 151	3 151	3 471	3 631	3 790
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
<b>Total revenue cost of subsidised services provided</b>		<b>9 013</b>	<b>9 148</b>	<b>10 612</b>	<b>10 411</b>	<b>10 411</b>	<b>10 411</b>	<b>(4 525)</b>	<b>(4 717)</b>	<b>(4 924)</b>

## PART 2 – SUPPORTING DOCUMENTATION

### 2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The primary aims of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

Community participation meetings were held between the 4- 11 March 2025 where community needs were identified for inputs in the 2025/26 MTREF budget. Budget and IDP community consultations will be held during April – May 2025, where the draft budget and revised IDP communicated to the community for further input and consultation.

Budget and IDP review will be conducted in April-May 2024, with management and councillors, where the budget and IDP indicators would be discussed and considering the consultations with the community and key stakeholders, including IGR meetings. This includes the review of the draft budget related policies.

The draft budget, policies and tariffs will be assessed by provincial treasury in April 2025 to ensure that it complies with relevant legislations and norms and standards. This includes the review of data strings and the alignment thereof in terms of mSCOA. Any misalignment of draft budget data strings will be reviewed to ensure accurate reporting prior to the adoption final budget in May 2025.

The time schedule of key deadlines for the compilation of the 2025/26 to 2028/29 MTREF was submitted to Council for approval on the 31st of August 2024 as required by Section 21(b) of the MFMA. These key deadlines were met accordingly in preparation for draft budget.

The MFMA Circulars 129 issued on the 10th of December 2024 and MFMA Circulars 130 issued on the 19th of March 2025, provide guidance to municipalities and their entities on the preparation of their 2025/26 Medium Term Revenue and Expenditure Framework (MTREF).

## 2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

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

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents.

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

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

The IDP drives the strategic development of the Municipality. The Municipality's budget is influenced by the strategic objectives identified in the IDP. The service delivery budget implementation plan (SDBIP) ensures that the Municipality implements programmes and projects based on the IDP targets and associated budgets. The performance of the Municipality is tabled in its Annual Report.

The 2024/25 MTREF has therefore been directly informed by the IDP revision process, and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure, and capital expenditure.

***Refer to the detailed DRAFT Revised IDP***

### 2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages.

The performance of the district relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The district therefore has adopted one integrated performance management system which encompasses:

1. Planning (setting goals, objectives, targets and benchmarks);
2. Monitoring (regular monitoring and checking on the progress against plan);
3. Measurement (indicators of success);
4. Review (identifying areas requiring change and improvement);
5. Reporting (what information, to whom, from whom, how often and for what purpose); and
6. Improvement (making changes where necessary).

Hantam Municipality continuously ensures that a culture of performance management is institutionalised. Performance agreements are therefore concluded with senior management. The Human Resources Department is in process of implementing Performance Management and cascading to All post Levels within the municipality and this is an ongoing process.

***Refer to the detailed DRAFT SDBIP for detailed budgeted figures per IDP targets.***

### 2.4 OVERVIEW OF BUDGET-RELATED POLICIES

Various budget-related policies were reviewed but will be workshop during the budget consultations with relevant stakeholders. The budget-related policies include:

1. Eiendomsbelasting/ Property Rates Policy
2. Tariewe Beleid/Tariff Policy
3. Kredietbeheer en skuld invorderings beleid/Credit Control and Debt Collection Policy
4. Hulpbehoewende Beleid/Indigent Policy
5. Voorsieningskanaal beleid/Supply Chain Management Policy
6. Infrastructure Procurement and Delivery Management Policy
7. Oordragbeleid/Virement Policy
8. Fondse en reserwe/Funds and reserve Policy
9. Reis en Verblyf/Travel and subsistence Policy
10. Langtermyn Finansiële beplanning en implimentering/Long Term Financial planning and Implementation Policy
11. Kontant en Beleggingsbeleid/Cash and Investment Policy
12. Voorkeurverkrygingsbeleidsraamwerk/Preferential Procurement Policy
13. Konsultasievermindingsbeleid/Consultancy Reduction Policy

**2.6 OVERVIEW OF BUDGET ASSUMPTIONS**

As part of the compilation of the 2025/26 MTREF and for the municipality to ensure affordability and long-term financial sustainability, the following key factors and planning strategies have informed the compilation of the 2025/26 MTREF:

- City growth
- Policy priorities and strategic objectives.
- Asset maintenance
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration pattern)
- Performance trends
- The approved 2024/25 adjustments budget and performance against the SDBIP.
- Cash Flow Management.
- Debtor payment levels.
- Loan and investment possibilities.
- The need for tariff increases versus the ability of the community to pay for services.
- Improved and sustainable service delivery.

In addition to the above, the strategic guidance given in National Treasury’s MFMA Circulars have been taken into consideration in the planning and prioritisation process.

This budget is premised on an 80 per cent collection rate on current year billing. Furthermore, an additional 20% collection based on the opening balances of service debtors and property rates debtors. This is based on the intensive debt collection campaign and revenue enhancement initiatives that the municipality intends to embark on from April 2025.

**General inflation outlook and its impact on the municipal activities**

When preparing the 2025/26 MTREF municipal budget, the municipality considered the following micro-economic forecasts:

CPI Inflation Estimates	2025/26	2026/27	2027/28
	4.3%	4.6%	4.4%

**Rates, tariffs and charges**

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The municipality derives most of its operational revenue from the provision of goods and services such as water, electricity, sanitation and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses etc.).

The revenue strategy is a function of key components such as:

- Growth in the municipality and economic development.
- Implementation its new valuation roll in 2025/26 financial year
- Revenue management and enhancement.
- Achievement of an 80% annual collection rate for consumer revenue of current year billing and 20% collection on previous year outstanding billing,
- National Treasury guidelines.
- Electricity tariff increases within the National Energy Regulator of South Africa (NERSA) approval.
- Achievement of full cost recovery of specific user charges.
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA).
- The ability to extend new services and obtain cost recovery levels.

***Refer to annexure A for detailed 2025/26 – 2027/28 Draft Municipal Tariffs.***

*These tariffs are draft tariffs and will be finalised once all public consultation has been conducted with the community, provincial treasury and other relevant stakeholders taking into consideration the cost-of-supply study outcomes.*

#### Free or subsidised basic services

Hantam's criteria for supporting free or subsidised basic services are set out in the indigent support and rebate policy. The Government allocates revenue from the Division of Revenue Act (DORA) in the form of the Equitable Share Grant with the primary aim of assisting with the costs of providing free or subsidised basic services to indigent households. Any costs over and above the Equitable Share allocation are met by the Municipality.

*Refer to Table A10 Basic service delivery measurement, for detailed information on free and subsidised basic services.*

## 2.7 OVERVIEW OF BUDGET FUNDING

MFMA section 18 states that an annual budget may only be funded from:

- (a) realistically anticipated revenues to be collected,
- (b) cash-backed accumulated funds from previous years' surpluses not committed for other purposes and
- (c) borrowed funds, but only for the capital budget.

Revenue projections in the budget must be realistic, taking into account the projected revenue for the current year based on collection levels to date and actual revenue collected in the previous financial year.

The budget is funded from transfers from national and provincial spheres of government as well as own funding. Below is a summary of the total budget funding sources:

Item	Budget year 2025/26	Percentage
Property Rates	38 577 480	20%
Water	13 274 073	7%
Waste Water Management	7 302 374	4%
Waste Management	7 218 418	4%
Electricity	51 575 077	27%
Rental of Facilities	285 377	0%
Interest Earned - Main Account & Investments	2 319 153	1%
Interest Earned - Outstanding Debtors	3 098 102	2%
Other Income	5 828 258	3%
Government Grant and Subsidies – Operational	42 913 279	22%
Government Grant and Subsidies – Capital	21 929 000	11%
<b>Total Revenue</b>	<b>194 320 591</b>	<b>100%</b>

Based on the above, government grants constitute of 33% of the total revenue of the municipality, indicating that the municipality a grant dependant municipality.

This budget is premised on an 80 per cent collection rate on current year billing on municipal services and property rates.

Furthermore, an additional 20% collection based on the opening balances of service debtors and property rates debtors. This is based on the intensive debt collection campaign and revenue enhancement initiatives that the municipality intends to embark on from April 2025.

Based on the above collection rate assumptions, the revenue collection is estimated over revenue streams as follows:

Customer Category	Amount	Collection	%
CL: RESIDENTIAL - OPENING BALANCE	16 486 315.00	3 297 263.00	20%
CL: RESIDENTIAL - MONTHLY BILLING	14 809 088.00	11 847 270.40	80%
FP: AGRIC PURP - OPENING BALANCE	11 771 819.00	2 354 363.80	20%
FP: AGRIC PURP - MONTHLY BILLING	5 243 253.00	4 194 602.40	80%
FP: BUS & COMER PRP - OPENING BALANCE	658 201.00	131 640.20	20%
FP: BUS & COMMER PRP - MONTHLY BILLING	4 833 168.00	3 866 534.40	80%
MUNI PROP - OPENING BALANCE	1 253 432.00	250 686.40	20%
MUNI PROP - MONTHLY BILLING	414 362.00	331 489.60	80%
PUB SERV INFRA - OPENING BALANCE	7 796.00	1 559.20	20%
RES DEV - OPENING BALANCE	- 1 646 058.00	- 329 211.60	20%
RES VAC LAND - OPENING BALANCE	6 147 411.00	1 229 482.20	20%
SH: AGRIC PURP - OPENING BALANCE	17 459.00	3 491.80	20%
NAT GOVERN - OPENING BALANCE	3 196 884.00	639 376.80	20%
CL: OTHER - MONTHLY BILLING	13 277 609.00	10 622 087.20	80%
ELEC - OPENING BALANCE	11 743 714.00	2 348 742.80	20%
ELEC - MONTHLY BILLING	29 073 270.00	23 258 616.00	80%
WASTE - OPENING BALANCE	15 200 989.00	3 040 197.80	20%
WASTE - MONTHLY BILLING	7 218 418.00	5 774 734.40	80%
WASTE WATER - OPENING BALANCE	10 552 376.00	2 110 475.20	20%
WASTE WATER - MONTHLY BILLING	7 302 374.00	5 841 899.20	80%
WATER - OPENING BALANCE	21 430 807.00	4 286 161.40	20%
WATER - MONTHLY BILLING	13 274 073.00	10 619 258.40	80%
PROP RENT - MONTHLY BILLING	285 377.00	228 301.60	80%
<b>TOTAL</b>	<b>192 552 137.00</b>	<b>95 949 022.60</b>	

To achieve the above collection rate, credit control and debt collection processes need to be strengthened and all relevant stakeholders, i.e. the community, councillors, management and staff of the municipality, need to play their part in ensuring the realisation of these set targets.

## 2.8 EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

The below table depicts total grants gazetted for the Municipality for the 2023-24 MTREF:

Grant Description	2024/25 (R)	2025/26 (R)	2026/27 (R)	2027/28 (R)
Municipal Infrastructure Grant (MIG)	20 614 000	20 429 000	11 477 000	11 795 000
Energy Efficiency and Demand-Side Management Grant (EEDSM)	4 000 000	-	-	5 000 000
Integrated National Electrification Programme (Municipal) Grant (INEP)	2 547 000	1 500 000	3 488 000	3 646 000
Regional Bulk Infrastructure Grant (RBIG)	85 000 000	-	-	-
Water Services Infrastructure Grant (WSIG)	12 200 000	-	19 356 000	20 324 000
Financial Management Grant (FMG)	1 900 000	2 000 000	2 100 000	2 200 000
Expanded Public Works Programme (EPWP - Public Works)	1 213 000	1 269 000	-	-
DSAC - Libraries Grant	1 853 000	1 853 000	1 870 000	1 870 000
LG Seta	82 000	89 000	82 000	82 000
Equitable Share	35 954 000	37 702 000	39 326 000	41 088 000
<b>TOTAL</b>	<b>165 363 000</b>	<b>64 842 000</b>	<b>77 699 000</b>	<b>86 005 000</b>

There is a decline in number of grants we used to receive as the Municipality when comparing with allocations of the previous year and a decrease in some other grants, as follows:

Grant Description	2024/25 (R)	2025/26 (R)	Increase/ Decrease in Funding (R)	Increase/ (Decrease) in Funding (%)
Municipal Infrastructure Grant (MIG)	20 614 000	20 429 000	- 185 000	-0.90%
Energy Efficiency and Demand-Side Management Grant (EEDSM)	4 000 000	-	- 4 000 000	-100.00%
Integrated National Electrification Programme (Municipal) Grant (INEP)	2 547 000	1 500 000	- 1 047 000	-41.11%
Regional Bulk Infrastructure Grant (RBIG)	85 000 000	-	- 85 000 000	-100.00%
Water Services Infrastructure Grant (WSIG)	12 200 000	-	- 12 200 000	-100.00%
Financial Management Grant (FMG)	1 900 000	2 000 000	100 000	5.26%
Expanded Public Works Programme (EPWP - Public Works)	1 213 000	1 269 000	56 000	4.62%
DSAC - Libraries Grant	1 853 000	1 853 000	-	0.00%
LG Seta	82 000	89 000	7 000	8.54%
Equitable Share	35 954 000	37 702 000	1 748 000	4.86%
<b>TOTAL</b>	<b>165 363 000</b>	<b>64 842 000</b>	<b>- 100 521 000</b>	<b>-60.79%</b>

The total grants decreased from R165 363 000 prior year to R64 842 000, which is a decrease of 60,79% in government funding.

These tables reflect to grant receipts and grant programmes that the municipality is anticipating receiving in terms of the Division of Revenue Act (DoRA) as well as from provincial and sector departments.

**NC065 Hantam - Supporting Table SA18 Transfers and grant receipts**

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		29 080	33 336	35 808	37 854	37 854	37 854	39 702	41 426	43 288
Local Government Equitable Share		27 160	31 566	33 888	35 954	35 954	35 954	37 702	39 326	41 088
Local Government Financial Management Grant		1 920	1 770	1 920	1 900	1 900	1 900	2 000	2 100	2 200
<b>Provincial Government:</b>		3 122	3 427	3 219	3 066	3 148	3 148	3 211	1 952	(9 925)
Capacity Building and Other Grants		3 122	3 427	3 219	3 066	3 148	3 148	3 211	1 952	(9 925)
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	32 202	36 763	39 027	40 920	41 002	41 002	42 913	43 378	33 363
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		23 051	75 807	154 724	124 376	124 361	124 361	21 929	34 321	40 765
Energy Efficiency and Demand Side Management Grant		3 000	-	4 000	4 000	4 000	4 000	-	-	5 000
Integrated National Electrification Programme Grant		-	-	-	2 547	2 547	2 547	1 500	3 488	3 646
Local Government Financial Management Grant		-	150	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		10 051	4 657	13 724	20 629	20 614	20 614	20 429	11 477	11 795
Regional Bulk Infrastructure Grant		-	50 000	110 000	85 000	85 000	85 000	-	-	-
Water Services Infrastructure Grant		10 000	21 000	27 000	12 200	12 200	12 200	-	19 356	20 324
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		26 217	5 519	2 064	-	-	-	-	-	-
<i>Unspecified</i>		26 217	5 519	2 064	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	49 268	81 326	156 789	124 376	124 361	124 361	21 929	34 321	40 765
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		81 470	118 090	195 816	165 296	165 363	165 363	64 842	77 699	74 128

**2.9 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY**

Other than the indigent electricity provided to qualifying indigents of the municipality, no other allocations and grants made by the municipality were budgeted for in the 2025/26 MTREF budget.

## 2.10 COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

The salary bill of the municipality, including remuneration of councillors amounts to R63,8 million and increase from the prior year by an average of 7,4%. This is 36% of the total budgeted operating expenditure for the 2025/26 financial year, which is in the norm of 25%-40% as per national treasury's guidelines

- Remuneration of councillors are budgeted at R6,1 million, which is 5% more than the previous financial year. This is attributed to the adjustment based on the upper limits of councillors’ remuneration and the funding of 79A council committees’ remuneration.
- Senior managers remuneration is expected to increase by 38,9%. This is due to the filling of all senior managers vacant post in 2024/25 financial year. The remuneration is budgeted at R6 million.
- A 5% increase is expected on salaries and contributions of other municipal staff, based on the proposed salary increases according to the SALGA Collective Agreement. This is budgeted at R53 million.

NC065 Hantam - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		–	848	909	989	989	989	1 039	1 095	1 143
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	272	170	255	255	255	268	283	295
Motor Vehicle Allowance		458	546	597	625	625	625	657	692	723
Cellphone Allowance		–	–	–	–	–	–	–	–	–
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		4 105	3 722	4 034	4 000	4 000	4 000	4 200	4 427	4 622
<b>Sub Total - Councillors</b>		<b>4 563</b>	<b>5 389</b>	<b>5 710</b>	<b>5 870</b>	<b>5 870</b>	<b>5 870</b>	<b>6 164</b>	<b>6 497</b>	<b>6 782</b>
% increase	4		18.1%	6.0%	2.8%	–	–	5.0%	5.4%	4.4%
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		1 552	3 094	2 382	4 251	3 978	3 978	5 440	5 564	4 931
Pension and UIF Contributions		–	17	11	61	15	15	19	15	16
Medical Aid Contributions		82	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	380	291	143	135	135	348	251	263
Motor Vehicle Allowance	3	72	192	358	573	229	229	248	180	188
Cellphone Allowance	3	8	20	12	21	18	18	21	22	23
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	–	–	–	–	–	–	–	–	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		–	–	–	–	–	–	–	–	–
In kind benefits		–	–	–	–	–	–	–	–	–
<b>Sub Total - Senior Managers of Municipality</b>		<b>1 714</b>	<b>3 704</b>	<b>3 054</b>	<b>5 049</b>	<b>4 375</b>	<b>4 375</b>	<b>6 076</b>	<b>6 033</b>	<b>5 421</b>
% increase	4		116.1%	(17.5%)	65.3%	(13.3%)	–	38.9%	(0.7%)	(10.1%)
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		22 890	25 415	28 259	34 713	33 045	33 045	34 697	36 571	38 166
Pension and UIF Contributions		4 140	5 039	5 496	6 757	6 989	6 989	7 338	7 734	8 077
Medical Aid Contributions		694	859	972	2 577	2 592	2 592	2 721	2 868	2 997
Overtime		1 542	3 219	3 128	1 194	1 599	1 599	1 679	1 770	1 848
Performance Bonus		1 393	1 909	1 908	2 641	2 339	2 339	2 456	2 588	2 703
Motor Vehicle Allowance	3	959	1 206	1 740	1 929	1 703	1 703	1 788	1 885	1 972
Cellphone Allowance	3	130	138	159	192	133	133	139	147	153
Housing Allowances	3	243	314	135	141	100	100	105	111	116
Other benefits and allowances	3	14	15	15	16	0	0	0	1	1
Payments in lieu of leave		339	271	184	279	50	50	53	55	58
Long service awards		127	294	226	172	111	111	117	123	130
Post-retirement benefit obligations	6	1 668	2 103	2 323	1 907	1 855	1 855	1 947	2 053	2 143
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		–	–	–	–	–	–	–	–	–
In kind benefits		–	–	–	–	–	–	–	–	–
<b>Sub Total - Other Municipal Staff</b>		<b>34 140</b>	<b>40 780</b>	<b>44 545</b>	<b>52 519</b>	<b>50 515</b>	<b>50 515</b>	<b>53 041</b>	<b>55 905</b>	<b>58 363</b>
% increase	4		19.5%	9.2%	17.9%	(3.8%)	–	5.0%	5.4%	4.4%
<b>Total Parent Municipality</b>		<b>40 416</b>	<b>49 872</b>	<b>53 310</b>	<b>63 437</b>	<b>60 760</b>	<b>60 760</b>	<b>65 281</b>	<b>68 435</b>	<b>70 566</b>
			23.4%	6.9%	19.0%	(4.2%)	–	7.4%	4.8%	3.1%

**2.11 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW**

NC065 Hantam - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>																
<b>Revenue</b>																
<b>Exchange Revenue</b>																
Service charges - Electricity		4 298	4 298	4 298	4 298	4 298	4 298	4 298	4 298	4 298	4 298	4 298	4 298	51 575	53 948	56 321
Service charges - Water		1 106	1 106	1 106	1 106	1 106	1 106	1 106	1 106	1 106	1 106	1 106	1 106	13 274	13 864	14 474
Service charges - Waste Water Management		609	609	609	609	609	609	609	609	609	609	609	609	7 302	7 638	7 974
Service charges - Waste Management		602	602	602	602	602	602	602	602	602	602	602	602	7 218	7 550	7 883
Sale of Goods and Rendering of Services		27	27	27	27	27	27	27	27	27	27	27	27	322	336	351
Agency services		19	19	19	19	19	19	19	19	19	19	19	19	234	244	255
Interest																
Interest earned from Receivables		155	155	155	155	155	155	155	155	155	155	155	155	1 855	1 937	2 022
Interest earned from Current and Non Current Assets		193	193	193	193	193	193	193	193	193	193	193	193	2 319	2 421	2 528
Dividends																
Rent on Land																
Rental from Fixed Assets		24	24	24	24	24	24	24	24	24	24	24	24	285	298	311
Licence and permits		32	32	32	32	32	32	32	32	32	32	32	32	383	400	418
<b>Special rating levies</b>																
Operational Revenue		360	360	360	360	360	360	360	360	360	360	360	360	4 322	4 513	4 711
<b>Non-Exchange Revenue</b>																
Property rates		3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215	3 215	38 577	40 275	42 047
Surcharges and Taxes																
Fines, penalties and forfeits		3	3	3	3	3	3	3	3	3	3	3	3	33	34	36
Licences or permits																
Transfer and subsidies - Operational		3 576	3 576	3 576	3 576	3 576	3 576	3 576	3 576	3 576	3 576	3 576	3 576	42 913	43 378	33 363
Interest		104	104	104	104	104	104	104	104	104	104	104	104	1 243	1 298	1 355
Fuel Levy																
Operational Revenue																
Gains on disposal of Assets																
Other Gains		45	45	45	45	45	45	45	45	45	45	45	45	534	558	582
Discontinued Operations																
<b>Total Revenue (excluding capital transfers and contrib</b>		<b>14 366</b>	<b>14 366</b>	<b>14 366</b>	<b>14 366</b>	<b>14 366</b>	<b>14 366</b>	<b>14 366</b>	<b>14 366</b>	<b>14 366</b>	<b>14 366</b>	<b>14 366</b>	<b>14 366</b>	<b>172 392</b>	<b>178 691</b>	<b>174 630</b>
<b>Expenditure</b>																
Employee related costs		4 926	4 926	4 926	4 926	4 926	4 926	4 926	4 926	4 926	4 926	4 926	4 926	59 117	61 938	63 784
Remuneration of councillors		514	514	514	514	514	514	514	514	514	514	514	514	6 164	6 497	6 782
Bulk purchases - electricity		2 774	2 774	2 774	2 774	2 774	2 774	2 774	2 774	2 774	2 774	2 774	2 774	33 290	27 411	27 411
Inventory consumed		285	285	285	285	285	285	285	285	285	285	285	285	3 425	3 583	3 740
Debt impairment		465	465	465	465	465	465	465	465	465	465	465	465	5 578	5 879	6 138
Depreciation and amortisation		1 583	1 583	1 583	1 583	1 583	1 583	1 583	1 583	1 583	1 583	1 583	1 583	18 996	18 171	18 051
Interest		202	202	202	202	202	202	202	202	202	202	202	202	2 425	2 536	2 648
Contracted services		2 085	2 085	2 085	2 085	2 085	2 085	2 085	2 085	2 085	2 085	2 085	2 085	25 016	27 166	29 362
Transfers and subsidies															300	300
Irrecoverable debts written off		531	531	531	531	531	531	531	531	531	531	531	531	6 376	6 452	6 452
Operational costs		1 361	1 361	1 361	1 361	1 361	1 361	1 361	1 361	1 361	1 361	1 361	1 361	16 334	17 385	18 151
Losses on disposal of Assets																
Other Losses		90	90	90	90	90	90	90	90	90	90	90	90	1 080	1 139	1 189
<b>Total Expenditure</b>		<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>177 800</b>	<b>178 458</b>	<b>184 009</b>
<b>Surplus/(Deficit)</b>		<b>(451)</b>	<b>(451)</b>	<b>(451)</b>	<b>(451)</b>	<b>(451)</b>	<b>(451)</b>	<b>(451)</b>	<b>(451)</b>	<b>(451)</b>	<b>(451)</b>	<b>(451)</b>	<b>(451)</b>	<b>(5 408)</b>	<b>234</b>	<b>(9 379)</b>
Transfers and subsidies - capital (monetary allocations)		1 827	1 827	1 827	1 827	1 827	1 827	1 827	1 827	1 827	1 827	1 827	1 827	21 929	34 321	40 765
Transfers and subsidies - capital (in-kind)																
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>16 521</b>	<b>34 555</b>	<b>31 386</b>
Income Tax																
<b>Surplus/(Deficit) after income tax</b>		<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>16 521</b>	<b>34 555</b>	<b>31 386</b>
Share of Surplus/Deficit attributable to Joint Venture																
Share of Surplus/Deficit attributable to Minorities																
<b>Surplus/(Deficit) attributable to municipality</b>		<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>16 521</b>	<b>34 555</b>	<b>31 386</b>
Share of Surplus/Deficit attributable to Associate																
Intercompany/Parent subsidiary transactions																
<b>Surplus/(Deficit) for the year</b>	1	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>16 521</b>	<b>34 555</b>	<b>31 386</b>

NC065 Hantam - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Revenue by Vote</b>																
Vote 01 - Executive & Council		341	341	341	341	341	341	341	341	341	341	341	341	4 087	4 264	4 455
Vote 02 - Budget & Treasury Office		3 681	3 681	3 681	3 681	3 681	3 681	3 681	3 681	3 681	3 681	3 681	3 681	44 174	46 130	48 167
Vote 03 - Corporate Services		1 882	1 882	1 882	1 882	1 882	1 882	1 882	1 882	1 882	1 882	1 882	1 882	22 584	23 558	12 729
Vote 04 - Community & Social Services		164	164	164	164	164	164	164	164	164	164	164	164	1 962	1 901	6 902
Vote 05 - Sports & Recreation		837	837	837	837	837	837	837	837	837	837	837	837	10 041	526	550
Vote 06 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Planning & Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Road Transport		67	67	67	67	67	67	67	67	67	67	67	67	808	277	290
Vote 09 - Electricity		4 715	4 715	4 715	4 715	4 715	4 715	4 715	4 715	4 715	4 715	4 715	4 715	56 576	61 089	63 783
Vote 10 - Water		1 440	1 440	1 440	1 440	1 440	1 440	1 440	1 440	1 440	1 440	1 440	1 440	17 284	37 183	38 938
Vote 11 - Waste Water Management		2 134	2 134	2 134	2 134	2 134	2 134	2 134	2 134	2 134	2 134	2 134	2 134	25 608	26 809	27 808
Vote 12 - Solid Waste		933	933	933	933	933	933	933	933	933	933	933	933	11 196	11 275	11 774
Vote 13 - Own Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Environmental Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>		<b>16 193</b>	<b>16 193</b>	<b>16 193</b>	<b>16 193</b>	<b>16 193</b>	<b>16 193</b>	<b>16 193</b>	<b>16 193</b>	<b>16 193</b>	<b>16 193</b>	<b>16 193</b>	<b>16 193</b>	<b>194 321</b>	<b>213 012</b>	<b>215 395</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 01 - Executive & Council		2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	23 995	25 504	26 603
Vote 02 - Budget & Treasury Office		2 148	2 148	2 148	2 148	2 148	2 148	2 148	2 148	2 148	2 148	2 148	2 148	25 773	28 055	30 294
Vote 03 - Corporate Services		1 233	1 233	1 233	1 233	1 233	1 233	1 233	1 233	1 233	1 233	1 233	1 233	14 791	15 350	14 928
Vote 04 - Community & Social Services		286	286	286	286	286	286	286	286	286	286	286	286	3 432	3 515	3 642
Vote 05 - Sports & Recreation		229	229	229	229	229	229	229	229	229	229	229	229	2 743	2 730	2 788
Vote 06 - Public Safety		6	6	6	6	6	6	6	6	6	6	6	6	67	66	67
Vote 07 - Planning & Development		69	69	69	69	69	69	69	69	69	69	69	69	823	867	905
Vote 08 - Road Transport		744	744	744	744	744	744	744	744	744	744	744	744	8 930	9 201	9 530
Vote 09 - Electricity		3 870	3 870	3 870	3 870	3 870	3 870	3 870	3 870	3 870	3 870	3 870	3 870	46 442	40 959	41 441
Vote 10 - Water		2 222	2 222	2 222	2 222	2 222	2 222	2 222	2 222	2 222	2 222	2 222	2 222	26 661	27 487	28 211
Vote 11 - Waste Water Management		898	898	898	898	898	898	898	898	898	898	898	898	10 772	10 712	11 056
Vote 12 - Solid Waste		1 107	1 107	1 107	1 107	1 107	1 107	1 107	1 107	1 107	1 107	1 107	1 107	13 283	13 920	14 450
Vote 13 - Own Other		7	7	7	7	7	7	7	7	7	7	7	7	89	92	95
Vote 14 - Environmental Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>		<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>14 817</b>	<b>177 800</b>	<b>178 458</b>	<b>184 009</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>1 377</b>	<b>16 521</b>	<b>34 555</b>	<b>31 386</b>
Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		(90)	(90)	(90)	(90)	(90)	(90)	(90)	(90)	(90)	(90)	(90)	(90)	990	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>1 287</b>	<b>1 287</b>	<b>1 287</b>	<b>1 287</b>	<b>1 287</b>	<b>1 287</b>	<b>1 287</b>	<b>1 287</b>	<b>1 287</b>	<b>1 287</b>	<b>1 287</b>	<b>2 367</b>	<b>16 521</b>	<b>34 555</b>	<b>31 386</b>

NC065 Hantam - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Revenue - Functional</b>																
<b>Governance and administration</b>		5 904	5 904	5 904	5 904	5 904	5 904	5 904	5 904	5 904	5 904	5 904	5 904	70 846	73 952	65 350
Executive and council		341	341	341	341	341	341	341	341	341	341	341	341	4 087	4 264	4 455
Finance and administration		5 563	5 563	5 563	5 563	5 563	5 563	5 563	5 563	5 563	5 563	5 563	5 563	66 758	69 688	60 896
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		969	969	969	969	969	969	969	969	969	969	969	969	11 627	2 035	7 042
Community and social services		164	164	164	164	164	164	164	164	164	164	164	164	1 962	1 901	6 902
Sport and recreation		805	805	805	805	805	805	805	805	805	805	805	805	9 665	134	140
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		99	99	99	99	99	99	99	99	99	99	99	99	1 184	670	699
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		67	67	67	67	67	67	67	67	67	67	67	67	808	277	290
Environmental protection		31	31	31	31	31	31	31	31	31	31	31	31	376	392	409
<b>Trading services</b>		9 222	9 222	9 222	9 222	9 222	9 222	9 222	9 222	9 222	9 222	9 222	9 222	110 664	136 356	142 304
Energy sources		4 715	4 715	4 715	4 715	4 715	4 715	4 715	4 715	4 715	4 715	4 715	4 715	56 576	61 089	63 783
Water management		1 440	1 440	1 440	1 440	1 440	1 440	1 440	1 440	1 440	1 440	1 440	1 440	17 284	37 183	38 938
Waste water management		2 134	2 134	2 134	2 134	2 134	2 134	2 134	2 134	2 134	2 134	2 134	2 134	25 608	26 809	27 808
Waste management		933	933	933	933	933	933	933	933	933	933	933	933	11 196	11 275	11 774
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>		16 193	16 193	16 193	16 193	16 193	16 193	16 193	16 193	16 193	16 193	16 193	16 193	194 321	213 012	215 395
<b>Expenditure - Functional</b>																
<b>Governance and administration</b>		5 371	5 371	5 371	5 371	5 371	5 371	5 371	5 371	5 371	5 371	5 371	5 371	64 457	68 802	71 713
Executive and council		1 798	1 798	1 798	1 798	1 798	1 798	1 798	1 798	1 798	1 798	1 798	1 798	21 570	22 956	23 953
Finance and administration		3 372	3 372	3 372	3 372	3 372	3 372	3 372	3 372	3 372	3 372	3 372	3 372	40 462	43 298	45 110
Internal audit		202	202	202	202	202	202	202	202	202	202	202	202	2 424	2 548	2 651
<b>Community and public safety</b>		526	526	526	526	526	526	526	526	526	526	526	526	6 308	6 380	6 569
Community and social services		292	292	292	292	292	292	292	292	292	292	292	292	3 505	3 587	3 716
Sport and recreation		234	234	234	234	234	234	234	234	234	234	234	234	2 803	2 793	2 853
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		982	982	982	982	982	982	982	982	982	982	982	982	11 785	12 209	12 670
Planning and development		213	213	213	213	213	213	213	213	213	213	213	213	2 550	2 687	2 806
Road transport		770	770	770	770	770	770	770	770	770	770	770	770	9 234	9 521	9 864
Environmental protection		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Trading services</b>		7 930	7 930	7 930	7 930	7 930	7 930	7 930	7 930	7 930	7 930	7 930	7 930	95 162	90 975	92 961
Energy sources		3 731	3 731	3 731	3 731	3 731	3 731	3 731	3 731	3 731	3 731	3 731	3 731	44 769	39 195	39 599
Water management		2 195	2 195	2 195	2 195	2 195	2 195	2 195	2 195	2 195	2 195	2 195	2 195	26 338	27 147	27 856
Waste water management		898	898	898	898	898	898	898	898	898	898	898	898	10 772	10 712	11 056
Waste management		1 107	1 107	1 107	1 107	1 107	1 107	1 107	1 107	1 107	1 107	1 107	1 107	13 283	13 920	14 450
<b>Other</b>		7	7	7	7	7	7	7	7	7	7	7	7	89	92	95
<b>Total Expenditure - Functional</b>		14 817	14 817	14 817	14 817	14 817	14 817	14 817	14 817	14 817	14 817	14 817	14 817	177 800	178 458	184 009
<b>Surplus/(Deficit) before assoc.</b>		1 377	1 377	1 377	1 377	1 377	1 377	1 377	1 377	1 377	1 377	1 377	1 377	16 521	34 555	31 386
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	1	1 377	1 377	1 377	1 377	1 377	1 377	1 377	1 377	1 377	1 377	1 377	1 377	16 521	34 555	31 386

NC065 Hantam - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	
<b>R thousand</b>																	
<b>Capital Expenditure - Functional</b>	1																
<i>Governance and administration</i>		51	51	51	51	51	51	51	51	51	51	51	51	50	606	390	390
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		51	51	51	51	51	51	51	51	51	51	51	51	50	606	390	390
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		685	685	685	685	685	685	685	685	685	685	685	685	685	8 225	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		685	685	685	685	685	685	685	685	685	685	685	685	685	8 225	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		911	911	911	911	911	911	911	911	911	911	911	911	911	10 934	29 715	35 294
Energy sources		108	108	108	108	108	108	108	108	108	108	108	108	108	1 299	3 020	7 486
Water management		14	14	14	14	14	14	14	14	14	14	14	14	14	173	16 758	17 597
Waste water management		789	789	789	789	789	789	789	789	789	789	789	789	789	9 462	9 937	10 212
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	2	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	19 765	30 105	35 684
<b>Funded by:</b>																	
National Government		1 582	1 582	1 582	1 582	1 582	1 582	1 582	1 582	1 582	1 582	1 582	1 582	1 582	18 986	29 715	35 294
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		1 582	1 582	1 582	1 582	1 582	1 582	1 582	1 582	1 582	1 582	1 582	1 582	1 582	18 986	29 715	35 294
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		65	65	65	65	65	65	65	65	65	65	65	65	65	779	390	390
<b>Total Capital Funding</b>		1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	1 647	19 765	30 105	35 684

## 2.12 ANNUAL BUDGETS AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN – INTERNAL DEPARTMENTS

Refer to the detailed DRAFT SDBIP for detailed budgeted figures per IDP targets.

## 2.13 ANNUAL BUDGETS AND SERVICE DELIVERY AGREEMENTS – MUNICIPAL ENTITIES AND OTHER EXTERNAL MECHANISMS

Not applicable to Hantam Municipality, as the municipality does not have any municipal entities.

## 2.14 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

The municipality's Supply Chain Management Policy stipulates the processes to be complied with for contracts that will impose financial obligations beyond the three years in the annual budget for that financial year and will require approval by Council.

In preparation of the draft budget, no contracts were awarded beyond the medium-term revenue and expenditure framework (three years).

## 2.15 CAPITAL EXPENDITURE DETAIL

The municipality has budgeted for the following capital projects for the 2025/26 financial year:

Source of Funding	Project Description	2025/26 Financial Year	
		Amount Incl. VAT	Amount Excl. VAT
MIG	Nieuwoudtville Sewer Reticulation Network Phase 1 (MIG 1676)	3 303 055.90	2 859 788.66
MIG	Brandvlei Upgrading of Sport Facilities (MIG 1715)	9 500 000.00	8 225 108.23
MIG	Nieuwoudtville Extension of Oxidation Ponds	7 625 944.10	6 602 549.00
INEP	Phase 2: Upgrading of Brandvlei Medium/Low Voltage Network	1 500 000.00	1 298 701.30
Own Funding	Computer Equipment - Laptops	300 000.00	259 740.26
Own Funding	Machinery and Equipment - Traffic Speed Camera	200 000.00	216 450.22
Own Funding	Machinery and Equipment - Security cameras	250 000.00	129 870.13
Own Funding	Furniture and office equipment	150 000.00	129 870.13
<b>Total</b>		<b>22 829 000.00</b>	<b>19 722 077.92</b>

Total capital expenditure for the year is budgeted at R22, 8 million, of which R900 000 is from own funding (internally generated) and R21 929 000.00 is of government grants and subsidies.

**Repairs and Maintenance:**

**NC065 Hantam - Supporting Table SA34c Repairs and maintenance expenditure by asset class**

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Total Repairs and Maintenance Expenditure</b>	1	8 934	13 047	9 389	12 231	15 209	15 209	15 970	17 704	19 483
<i>R&amp;M as a % of PPE &amp; Investment Property</i>		2.2%	2.9%	1.6%	1.7%	2.2%	2.2%	2.3%	2.5%	2.7%
<i>R&amp;M as % Operating Expenditure</i>		6.6%	10.3%	6.1%	8.0%	9.3%	9.3%	21.2%	10.0%	10.9%

Repairs and maintenance are budgeted at 2,3% of the property, plant and equipment and Investment property, which is less than the norm of 8%. This can be attributed to the recent additions in the previous financial years and bulk water infrastructure networks and reticulation networks, which is still new. The municipality is committed in ensuring that all municipal infrastructure is repaired and maintained in an effective and efficient manner. Thus, in the 2025/26 financial year, we would ensure that an asset maintenance plan is developed.

21,2% of the total operating expenditure is budgeted for repairs and maintenance in the 2025/26 financial year.

## 2.16 LEGISLATION COMPLIANCE STATUS

The MFMA implementation requirements have been satisfactorily complied with through the following activities:

### **In year reporting**

Monthly, Quarterly and Bi-annual reporting to National Treasury, in electronic format is complied with. Section 71 reporting to the Mayor (within 10 working days) has progressively improved.

### **Internship programme**

The municipality is participating in the Municipal Financial Management Internship programme and has employed four interns undergoing training in various divisions of the Financial Services Department and internal auditing. The municipality currently has 4 interns under the internship programme. Since the introduction of the Internship programme the Municipality has appointed or absorbed some of the interns permanently through the recruitment process.

### **Budget and Treasury Office**

The Budget and Treasury Office has been established in accordance with the MFMA.

During the 2024/25 financial year, 3 positions were filled in the budget and treasury office, which includes the appointment of the SCM Manager. Key vacant vacancies will be addressed in the 2025/26 financial year to ensure that the finance department is functioning effectively and efficiently.

### **Audit Committee**

An Audit Committee has been established and is fully functional.

### **Service Delivery and Implementation Plan (SDBIP)**

The Service Delivery and Budget Implementation Plan (SDBIP) will be finalised following approval of the 2025/2026 budget by end May 2025.

### **Annual Report**

Annual report is compiled in terms of the MFMA and National Treasury requirements.

### **MFMA Training**

The MFMA training module in electronic format is presented at the municipality and training is ongoing. All Budget and Treasury Office officials has the minimum competency requirements. MFMA training will be conducted by the municipality internally. The programme commenced on 24 March 2024 and will run for a period of eight (8) months.

### **Policies**

The review of all budget-related policies will take place in terms of Regulation 7 of the MBRR in April-May 2025. All budget-related policies are contained in Annexure B.

### **Procurement Plan**

Municipal Budget Circular No 94 highlights the slow spending of capital budgets by most municipalities, and the associated negative impact on service delivery. It therefore became necessary to compile a draft procurement plan to address a weak planning process. The procurement plan will be included in the final budget. The timeframes and other relevant information will be finalised when Final budget is approved by end May 2025.

**2.17 OTHER SUPPORTING DOCUMENTS**

- A) 2025/26 – 2027/28 Draft municipal tariffs
- B) 2025/26 Draft budget related policies
- C) 2025/26 – 2027/28 Draft Detailed Budgeted Income and Expenditure Report

**MUNICIPAL MANAGER'S QUALITY CERTIFICATION**

I, JJ Fortuin, the Acting Municipal Manager of Hantam Local Municipality, hereby certify that the draft annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and the annual budget and supporting documentation are consistent with the business plan of the municipality and the Integrated Development Plan of the municipality.

**Print Name:** \_\_\_\_\_

**Acting Municipal Manager of Hantam Local Municipality (NC065)**

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

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