

# BA-PHALABORWA MUNICIPALITY



**“Home of Marula, Wildlife Tourism and Mining”**

**ANNUAL BUDGET  
2025/26 MTREF**

## Vision

*“Provision of quality services for community well-being, tourism and mining development”*



## Mission

- to provide 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 organisations in the matters of local government.

## Values

- Efficiency and effectiveness
- Accountability
- Innovation and creativity
- Professionalism & hospitality
- Transparency and fairness
- Continuous learning
- Conservation conscious

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#### **ABBREVIATIONS/ACCRONYMS**

CFO	Chief Financial Officer
CPIX	Consumer Price Index
DoRA	Division of Revenue Act
DPLG	Department of Provincial and Local Government
DLGH	Department of Local Government and Housing
EXCO	Executive Committee
GRAP	Generally Recognised Accounting Practice
IDP	Integrated Development Plan
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MPRA	Municipal Property Rates Act
MTREF	Medium Term Revenue and Expenditure Framework
NERSA	National Electricity Regulation of South Africa
NT	National Treasury
PMS	Performance Management System
PPP	Public–Private Partnerships
SALGA	South African Local Government Association
SDBIP	Service Delivery Budget and Implementation Plan

## **PART ONE**

### **ANNUAL BUDGET**

## **1. MAYOR'S REPORT**

### **BA- PHALABORWA LOCAL MUNICIPALITY'S ANNUAL BUDGET SPEECH FOR 2025/26 FINANCIAL YEAR**

**Delivered by the Honourable Mayor, Cllr. MM. Malatji  
On Thursday, 29<sup>th</sup> May 2025**

Honourable Speaker, Cllr. NO Mabunda

Chief Whip of Council, Cllr. D Rapatsa

Chairperson of MPAC, Cllr. MP Mkhari

Members of the Executive Committee

Leaders of Opposition Parties

Fellow Councillors

Traditional Leaders

Acting Municipal Manager, Ms. ME Mphachoe

Senior Managers and officials

Members of our communities

Distinguished Guests

Members of the Media

Ladies and gentlemen,

Good morning/ Afternoon

Today, I stand before you to present the annual budget for the 2025/2026 financial year. This budget reflects our shared priorities, the needs of our residents, and our collective vision for a stronger, more sustainable, and inclusive community.

**Section 16 subsection 2 of Municipal Finance Management Act, 2003** states 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.

**MFMA Section 17. (1)**

1. An annual budget of a municipality must be a schedule in the prescribed format—
  - (a) setting out realistically anticipated revenue for the budget year from each revenue source.
  - (b) appropriating expenditure for the budget year under the different votes of the municipality.
  - (c) setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year.
  - (d) setting out—
    - (i) estimated revenue and expenditure by vote for the current year; and
    - (ii) And actual revenue and expenditure by vote for the financial year preceding the current year.
2. An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.

This budget aims to satisfy the constitutional obligation of the municipality, as outlined in Chapter 7 of the Constitution, which mandates municipalities to provide democratic and accountable government, ensure sustainable service delivery, promote social and economic development, and foster a safe environment.

Honourable Speaker, municipalities are continuing to face difficult fiscal environment, and as Ba-Phalaborwa municipality we are not immune to these challenges. I must indicate that it has been a difficult task to come up with this final budget as we are also faced with issues of low revenue collection.

Revenue collection has been inconsistent, with difficulties in recovering outstanding payments from our residents and businesses. Liquidity remains a concern as the low collection rate on trade receivables remains a challenge in our municipality.

Past years' increasing electricity tariffs continue to strain consumers' ability to afford this service. As a result, we are at higher risk of non-technical losses particularly related to theft and illegal by-passing. Noting the above-mentioned statement, the municipality has made budget allocation as part of revenue management.

To ensure that we meet our financial obligations and other commitments as it falls due, we need to continuously minimise spending on non-core functions and put more focus on the implementation of the reviewed Municipal Financial Recovery Plan, Municipal Revenue Improvement Plan, and the approved Cost Containment Regulations as approved by Council.

## **REVENUE BUDGET**

Honourable Speaker, the 2025/26 total projected revenue is estimated at **R750.3** million. This includes:

- Own-generated revenue: R526.3 million from municipal service charges (property rates, electricity, refuse removal).
- Capital and operational transfers and subsidies: R224 million as per the Division of Revenue Act.



It must be noted that own generated revenue is based on the projected revenue to be collected from the community based on the services that we are rendering monthly.

## OPERATING BUDGET

Total expenditure budget for 2025/26 amounts to **R854.4** million. This total budget comprises of operational expenditure budget of **R795.1** million and capital budget of **R59.3** million excluding vat.

- The budgeted allocation for employee-related costs for the 2025/26 financial year amounts to **R223.8** million, which equals 28.2% of the total operating expenditure. The Salary and Wage Collective Agreement were signed by the parties of the South African Local Government Bargaining Council (SALGBC) on Friday, 6 September 2024 has been taken into consideration.
- The cost associated with the remuneration of councilors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). For the 2025/26 financial year the remuneration of councilors will amount to **R19.2** million.
- The provision of debt impairment was determined based on the current collection rate and Debt Write-off Policy of the municipality. While this expenditure is a non-cash flow item, it is informed by the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues and amount to **R110.1** million which equals to 13.9% of the operating expenditure.

- Provision for depreciation and asset impairment is informed by the Municipality's Asset Management Policy. Budget appropriations in this regard total **R87.2** million for 2025/26 financial and equate to 11% of the total operating expenditure.
- Bulk purchases are directly informed by the purchase of electricity from Eskom. The budgeted amount will be **R150.8** million and total to 19% of the total operating expenditure. The annual price increases have been factored into budget appropriations as per NERSA approval.
- The Interest (finance charges) for the 2025/26 financial year is estimated at **R20.7** million which constitutes 2.6% of the total operating expenditure.
- Contracted services for 2025/26 financial year amounts to **R68.6** million and equals to 8.6% of the total operating expenditure budget.
- Operational costs comprise of various line items relating to the daily operations of the municipality, for 2025/26 financial year is estimated at **R87.7** million which equates to 11% of total operational budget.

## CAPITAL BUDGET

Honourable Speaker, the total capital budget for 2025/26 will be **R59.3** million (excluded VAT) funded by:

- Internally generated revenue: R27 million excluding vat.
- Capital grants: R32.2 million excluding vat from the Division of Revenue Act

### Tariffs

- Honourable Speaker, it is envisaged that the proposed tariffs will allow the municipality to generate revenue to sustain the municipal operations. The 2025/26 tariffs have been reviewed in line with the CPI as guided by National Treasury circulars.
- Electricity tariff increases are governed by NERSA; the Annexure of tariff book is attached on the budget document to highlight the categories of increases.

## 2. ANNUAL BUDGET RESOLUTIONS

The Council of Ba-Phalaborwa Local Municipality in its seating on the 29th of May 2025 resolved as follows regarding the annual Budget for 2025/26 Medium-Term Revenue and Expenditure Framework:

### 2.1. ANNUAL BUDGET FOR 2025/26 MTREF

Council resolved that the annual budget and MTREF and its supporting tables of the Ba-Phalaborwa municipality for the financial year 2025/26; be approved as set out in the following tables:

Table MBRR A1     Budget Summary

Table MBRR A2     Revenue and expenditure by functional classification

Table MBRR A3     Budgeted financial performance (Revenue and Expenditure by Municipal Vote)

Table MBRR A4	Budgeted financial performance (Revenue and Expenditure)
Table MBRR A5	Budgeted capital expenditure
Table MBRR A6	Financial position
Table MBRR A7	Budget cash flows
Table MBRR A8	Cash backed reserves, accumulated surplus reconciliation.
Table MBRR A9	Asset Management,
Table MBRR A10	Basic service delivery measures

## 2.2. ANNUAL BUDGET SUPPORT TABLES FOR 2025/26 MTREF

That the annual budget of Ba-Phalaborwa municipality for the financial year 2025/26; and indicative figures for the two projected outer years 2026/27 and 2027/28 be approved as set-out in the following supporting tables:

Table MBRR SA1	Supporting details to budgeted financial performance.
Table MBRR SA2	Consolidated Matrix Financial performance
Table MBRR SA3	Budgeted financial position.
Table MBRR SA7	Measurable performance objective
Table MBRR SA8	Performance indicators and benchmark
Table MBRR SA9	Social, economic and demographic statistics and assumption
Table MBRR SA10	Funding Measurements
Table MBRR SA14	Household bills

Table MBRR SA15 Investment particulars

Table MBRR SA16 Investment particulars by maturity

Table MBRR SA17 Borrowing

Table MBRR SA20 Reconciliation of transfer, grant receipt and unspent funds

Table MBRR SA21 Transfers and grants made by the municipality.

Table MBRR SA22 Summary of councillor and staff benefits

Table MBRR SA23 Salaries, allowances & benefits

Table MBRR SA25 Budgeted monthly revenue and expenditure (Standard Item)

Table MBRR SA26 Budgeted monthly revenue and expenditure (Municipal vote)

Table MBRR SA27 Budgeted monthly revenue and expenditure (functional classification)

Table MBRR SA28 Budgeted monthly capital expenditure (Municipal vote)

Table MBRR SA29 Budgeted monthly capital expenditure (functional classification)

Table MBRR SA30 Budgeted monthly cash flow.

Table MBRR SA33 Contract having future budgetary implications.

Table MBRR SA34 Capital expenditure by asset classification

Table MBRR SA35 Future financial implications of the capital budget

Table MBRR SA36 Detailed capital budget

Table MBRR SA37 Detailed capital projects delayed from previous financial.

Table MBRR SA38 Consolidated detailed operational projects.

### **2.3. Property Rates and other municipal tax**

Council resolves that property rates and other municipal tax as reflected on Tariff Schedule are imposed for the budget year 2025/26

### **2.4. Tariffs and charges**

Council resolves that the tariffs and charges reflected on Tariff Schedule are approved for 2025/26 budget year be adopted for implementation.

### **2.5. Integrated Development Plan**

Council resolves that the Integrated Development Plan be approved with this budget.

### **2.6. Credit Control, Debt Collection**

Council resolves that the credit control, debt collection and Consumer Care Policies be approved for 2025/26 financial year.

### **2.7. Indigent Policies**

Council resolves that the Indigent Household Consumers Subsidy Policy be approved for 2025/26 financial year.

#### **Indigent Support**

2.7.1. Council resolves to support indigents households approved as per adopted indigent household consumer policy.

2.7.2. Council further resolves that, in the event that the total subsidy in respect of approved indigents exceeds the budgeted amount, the excess amount be re-allocated from the current provision for bad debts to the relevant indigent

subsidies, in view of the fact that the current bad debt is adequately provided for and the resolution related to the approval of the Indigent Policy will remain intact.

2.7.3. Council resolves that for the 2025/26 financial year the indigents are subsidized as set out in adopted Household Consumer and Subsidy Policy and that the subsidy will consist of the following:

1. 6 kl of water per indigent household per month, where metered.
2. 50 kw of electricity per indigent household per month, where metered.
3. 100% Free refuse removal from residential stands in accordance with the Tariff Schedule
4. 100% Free sewer services to residential stands in accordance with the municipality's Tariff Schedule
5. Payment of Rates and Taxes on a residential property in accordance with the municipality's Property Rates and Tariff Policies
6. Payment of rental on council-occupied residential property in accordance with the municipality's Tariff Policy

## **2.8 ANNUAL BUDGET RELATED POLICIES**

Council resolves that the following 2025/26 Annual budget related policies and By-laws be approved:

1. Property Rates Policy
2. Tariff Policy
3. Credit Control and Debt Collection By-law
4. Indigent Policy

5. Indigent Subsidy By-law
6. Supply Chain Management Policy
7. Virement policy
8. Budget policy
9. Petty Cash policy
10. Asset Management Policy
11. Bad Debts Write Off
12. Deposit & Refund Policy
13. Cash management and Investment Policy
14. Fleet management Policy
15. Unknown Deposit Policy
16. Electricity Supply By-law
17. Subsistence and travelling Policy
18. Customer Care Service Standards Policy
19. Inventory Management Policy
20. Cost Containment Policy
21. Unauthorized, Irregular, Fruitless and Wasteful Expenditure Policy
22. Gifts, Donations and Sponsorship policy



23. Property Rates By-laws
24. Borrowings Policy
25. Traffic Bylaw
26. Credit Control and Debt Collection and Consumer Care Policy
27. Infrastructure Investment and Capital Projects
28. Long Term Financial Planning Policy
29. Funding and Reserves Policy
30. Retention Policy
31. Tariff book

#### **2025/26 Municipal Procurement Plan**

Council resolves that Annual Procurement Plan 2025/26 be approved

#### **2025/26 mSCOA Roadmap**

Council resolves that Annual mSCOA Roadmap 2025/26 be approved.

#### **2025/26 Funding Plan**

Council resolves that Annual Funding Plan 2025/26 be approved.

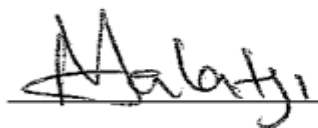
## **IN CONCLUSION**

I want to thank the Council, municipal administration, and all stakeholders for their contributions, and most importantly, the residents of our municipality for their continued engagement and trust. Let us work together to implement this plan with dedication and integrity.

Honourable Speaker, I hereby table Annual Budget for 2025/26 budget for Ba-Phalaborwa as detailed in the document for Council approval and further recommend that the Annual Budget for 2025/2026 financial year and budget related policies be approved as per the MFMA and Municipal Budget and Reporting Regulations.

**I, THANK YOU! BAIE DANKIE! INKOMU! KE A LEBOGA!**

\*\*\*\*\*

A handwritten signature in black ink, appearing to read 'M. Malatji', is positioned above a horizontal line.

**CLLR MM MALATJI  
MAYOR OF BA-PHALABORWA LOCAL  
MUNICIPALITY COUNCIL**

# **1. EXECUTIVE SUMMARY**

## EXECUTIVE SUMMARY

In terms of Section 16. (1) Of the MFMA, the council of a municipality must for each financial year approve an annual budget for the municipality before the start of the financial year, (which is before the end of June each year). In order for a municipality to comply with the above statement indicated, the mayor of the municipality must table the annual budget at a council meeting at least **90 days** (which is before or by the end of March) before the start of the budget year.

**Section 17 of the MFMA, further states that the annual budget of a municipality must be scheduled in the prescribed formats as indicated by National Treasury, and must do the following:**

- Setting out **realistically anticipated revenue** for the budget year from each revenue source.
- Appropriating expenditure for the budget year under the different votes of the municipality.
- Setting out **indicative revenue per revenue source and projected expenditure by vote** for the two financial years following the budget year.

**Section 18 of the MFMA, further states that the municipality may fund the expenditures from:**

- Realistically anticipated revenues to be collected. (This will include all the Grants to be received by the municipality, Donations, Transfers, and Own Revenue Collection).
- Cash-backed accumulated funds from previous years' surpluses not committed for other purposes.
- Borrowed funds, but only for the capital budget.

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Cost containment circular 82 was considered in the preparation of budget. Key areas where savings were realized were on telephone and internet usage, printing, workshops, travelling, accommodation, and catering. The economy is still volatile, and the South African economy is having a slow growth.

And so we must intensify our efforts to address economic constraints, improve our growth performance, create work opportunities and broaden economic participation. We need to achieve these goals if our National Development Plan is to be realised.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers.

National Treasury's MFMA Circular No. 64,66,67,70,72,74 and 75,80,81,82,82,84,85,86,89,91,94,98 and 99-130 were used to guide the compilation of the budget 2025/26 annual budget and MTREF. The planning of the budget involved consideration of all factors, which had far reached implications on the annual budget of the municipality.

The 2025/26 – 2026/27 budget and medium-term revenue and expenditure framework was prepared on the basis of the following priorities, guidelines and assumptions:

#### **1. National priorities**

The national government's main priorities for the medium-term is services and social infrastructure development and job creation and therefore the focus and priorities of all spheres of government should be geared towards the achievement of this priorities.

As we prepare our next five-year integrated development plan, we need to ensure that our plans and budgets are redirected towards the achievements of these priorities. We need to continue to explore opportunities to mainstream labour intensive approaches to delivering services, and more particularly to participate fully in the Extended Public Works Programme.

The municipality should not just employ more people without any reference to the level of staffing required to deliver effective services, and what is financially sustainable over the medium term.

**The municipality ought to focus on maximizing its contribution to job creation by:**

(a) Ensuring that service delivery and capital projects use labour intensive methods wherever appropriate.

- (b) Ensuring that service providers use labour intensive approaches;
- (c) Supporting labour intensive Local Economic Development projects;
- (d) Participating fully in the Extended Public Works Programme; and
- (e) Implementing interns' programmes to provide young people with on-the-job training.

The municipality should also play a critical role in creating an enabling environment for investments and other activities that lead to job creation.

### **SUMMARY OF PROJECTED REVENUE**

<b>Description</b>	<b>Original Budget</b>	<b>Adjusted Budget</b>	<b>Budget Year 2025/26</b>	<b>Budget Year +1 2026/27</b>	<b>Budget Year +2 2027/28</b>
Own Funding Revenue	510 059 371.00	515 553 371.00	526 251 949.00	553 121 059.00	574 626 299.00
Transfer and subsidies - Operational	223 212 050.00	222 873 190.00	224 033 750.00	227 248 200.00	232 246 500.00
Transfers and subsidies - capital	40 097 950.00	35 283 950.00	37 083 250.00	40 074 800.00	41 809 500.00
<b>Totals</b>	<b>773 369 371.00</b>	<b>773 710 511.00</b>	<b>787 368 949.00</b>	<b>820 444 059.00</b>	<b>848 682 299.00</b>

The total projected revenue for budget year 2025/26 is R787 million. The budgeted financing activities breakdown are as follows:

- Own generated revenue amount to **R526 million**.
- Operational transfers grants as per Dora is **R224 million**.
- And capital transfers grants of **R37 million**.



## OPERATIONAL BUDGET

Total expenditure for the 2025/26 financial year amount to **R795 million**.

**LIM334 Ba-Phalaborwa - Table A4 Budgeted Financial Performance (revenue and expenditure)**

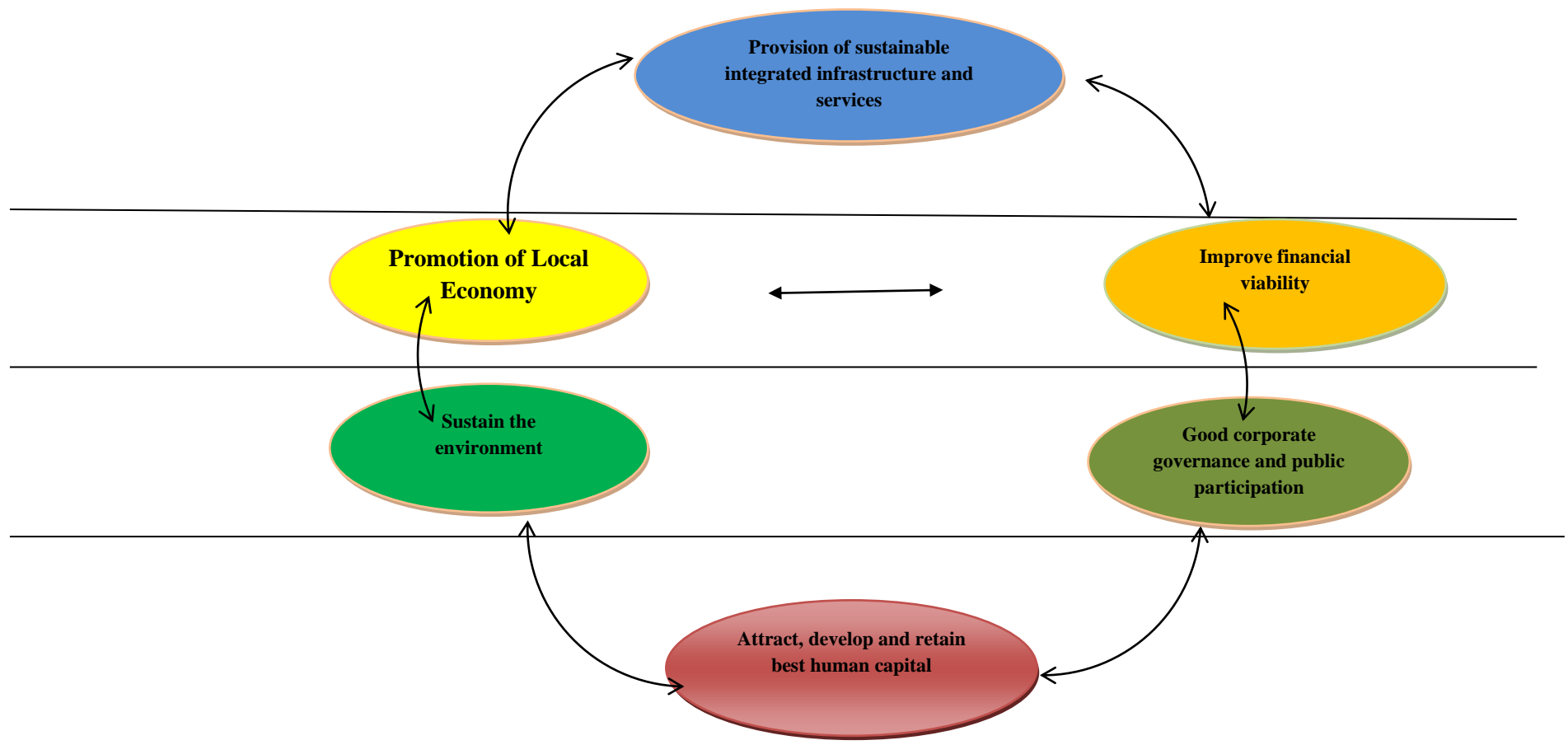
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>	<b>1</b>										
<b>Expenditure</b>											
Employee related costs	2	165 677	172 122	167 310	211 878	211 878	211 878	148 191	223 845	239 485	256 159
Remuneration of councillors		17 262	18 189	16 987	18 067	18 067	18 067	14 456	19 196	20 539	21 977
Bulk purchases - electricity	2	101 086	93 614	116 160	155 868	153 890	153 890	117 845	150 812	158 805	168 651
Inventory consumed	8	29 761	36 006	46 282	24 104	25 204	25 204	20 169	26 313	27 497	28 184
Debt impairment	3	-	1 133	-	105 500	105 500	105 500	-	110 142	115 098	117 976
Depreciation and amortisation		86 780	47 422	43 073	83 646	83 646	83 646	67 947	87 220	91 145	93 423
Interest		18 266	20 847	22 902	20 552	20 552	20 552	2 071	20 722	21 654	22 196
Contracted services		71 025	48 792	75 829	78 607	83 153	83 153	45 728	68 642	76 165	68 589
Transfers and subsidies		9 854	7 390	10 676	1 076	676	676	214	522	454	473
Irrecoverable debts written off		136 917	(54 976)	258 191	-	-	-	-	-	-	-
Operational costs		69 106	56 582	58 958	115 540	115 196	115 196	80 887	87 732	91 191	92 133
Other Losses		(79 375)	404	1 519	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>626 360</b>	<b>447 526</b>	<b>817 887</b>	<b>814 838</b>	<b>817 762</b>	<b>817 762</b>	<b>497 509</b>	<b>795 146</b>	<b>842 035</b>	<b>869 762</b>

## CAPITAL BUDGET

Description	Original Budget	Adjusted Budget	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Municipal Infrastructure Grants (MIG)	35 283 950.00	35 283 950.00	37 083 250.00	40 077 800.00	41 809 500.00
Integrated National Electricity Programme (INEP)	4 814 000.00	-	-	-	-
Internally Funded Projects	19 694 463.00	19 694 463.00	31 133 500.00	17 261 500.00	13 500 000.00
<b>Totals</b>	<b>59 792 413.00</b>	<b>54 978 413.00</b>	<b>68 216 750.00</b>	<b>57 339 300.00</b>	<b>55 309 500.00</b>

- The total capital budget amounts to **R68.2** million for 2025/26 financial year.
- MIG projects amount to **R37.1 million** VAT inclusive.
- Internally funded projects amount to **R31.1 million** VAT inclusive.
- Note that INEP is now recognised as other revenue as part of implementing mSCOA circular 16.

**PROVISION OF QUALITY SERVICES FOR COMMUNITY WELL-BEING AND TOURISM DEVELOPMENT**  
**THE HOME OF MARULA AND WILDLIFE TOURIM**



## 2. ANNUAL BUDGET TABLES

## 2.1. BUDGET SUMMARY

LIM334 Ba-Phalaborwa - Table A1 Budget Summary

Description	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Financial Performance</b>										
Property rates	133 398	135 075	127 740	194 706	194 706	194 706	169 551	214 177	223 815	229 410
Service charges	131 390	138 523	137 877	219 830	219 830	219 830	129 047	213 851	225 026	238 188
Investment revenue	2 434	4 026	5 120	5 394	5 894	5 894	4 378	5 351	5 591	5 731
Transfer and subsidies - Operational	182 025	196 070	215 659	223 212	222 873	222 873	221 706	224 034	227 248	232 247
Other own revenue	107 701	88 426	66 927	90 129	95 123	95 123	50 236	92 873	98 688	101 296
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>556 948</b>	<b>562 120</b>	<b>553 324</b>	<b>733 271</b>	<b>738 427</b>	<b>738 427</b>	<b>574 917</b>	<b>750 286</b>	<b>780 369</b>	<b>806 873</b>
Employee costs	165 677	172 122	167 310	211 878	211 878	211 878	148 191	223 845	239 485	256 159
Remuneration of councillors	17 262	18 189	16 987	18 067	18 067	18 067	14 456	19 196	20 539	21 977
Depreciation and amortisation	86 780	47 422	43 073	83 646	83 646	83 646	67 947	87 220	91 145	93 423
Interest	18 266	20 847	22 902	20 552	20 552	20 552	2 071	20 722	21 654	22 196
Inventory consumed and bulk purchases	130 847	129 620	162 442	179 972	179 094	179 094	138 014	177 125	186 302	196 836
Transfers and subsidies	9 854	7 390	10 676	1 076	676	676	214	522	454	473
Other expenditure	197 672	51 936	394 498	299 647	303 849	303 849	126 616	266 516	282 454	278 698
<b>Total Expenditure</b>	<b>626 360</b>	<b>447 526</b>	<b>817 887</b>	<b>814 838</b>	<b>817 762</b>	<b>817 762</b>	<b>497 509</b>	<b>795 146</b>	<b>842 035</b>	<b>869 762</b>
<b>Surplus/(Deficit)</b>	<b>(69 411)</b>	<b>114 594</b>	<b>(264 563)</b>	<b>(81 567)</b>	<b>(79 335)</b>	<b>(79 335)</b>	<b>77 408</b>	<b>(44 860)</b>	<b>(61 665)</b>	<b>(62 889)</b>
Transfers and subsidies - capital (monetary allocations)	47 155	42 559	49 065	40 098	35 284	35 284	19 654	37 083	40 075	41 810
Transfers and subsidies - capital (in-kind)	11 899	332	51 703	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(10 357)</b>	<b>157 484</b>	<b>(163 795)</b>	<b>(41 469)</b>	<b>(44 051)</b>	<b>(44 051)</b>	<b>97 062</b>	<b>(7 777)</b>	<b>(21 591)</b>	<b>(21 080)</b>
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>	<b>(10 357)</b>	<b>157 484</b>	<b>(163 795)</b>	<b>(41 469)</b>	<b>(44 051)</b>	<b>(44 051)</b>	<b>97 062</b>	<b>(7 777)</b>	<b>(21 591)</b>	<b>(21 080)</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>89 087</b>	<b>(37 107)</b>	<b>88 781</b>	<b>59 793</b>	<b>54 979</b>	<b>54 979</b>	<b>27 678</b>	<b>59 319</b>	<b>49 858</b>	<b>48 269</b>
Transfers recognised - capital	(427)	15 720	34 693	40 098	35 284	35 284	18 924	32 246	34 848	36 356
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	67 966	(31 279)	54 088	19 695	19 695	19 695	8 754	27 073	15 010	11 913
<b>Total sources of capital funds</b>	<b>67 539</b>	<b>(15 558)</b>	<b>88 781</b>	<b>59 793</b>	<b>54 979</b>	<b>54 979</b>	<b>27 678</b>	<b>59 319</b>	<b>49 858</b>	<b>48 269</b>
<b>Financial position</b>										
Total current assets	1 436 889	1 927 924	1 912 458	623 056	213 457	213 457	2 202 924	279 391	512 817	595 904
Total non current assets	1 244 502	1 247 158	1 266 906	1 285 447	1 248 477	1 248 477	1 226 637	1 251 539	1 578 183	1 581 394
Total current liabilities	1 763 971	1 939 056	2 133 858	511 529	446 691	446 691	2 266 394	485 904	556 238	563 946
Total non current liabilities	220 078	200 461	197 939	204 530	190 928	190 928	178 657	190 928	221 602	221 602

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Community wealth/Equity	699 565	1 034 086	854 600	1 140 477	779 365	779 365	951 652	854 098	1 313 160	1 391 750
<b>Cash flows</b>										
Net cash from (used) operating	(40 587)	1 128 353	1 712 112	(89 321)	(62 351)	(62 351)	(13 654)	59 431	114 341	118 976
Net cash from (used) investing	–	(19 232)	(68 780)	68 762	64 596	64 596	20 603	(68 217)	(54 336)	(53 009)
Net cash from (used) financing	–	18 700	1 700	(20 400)	(20 400)	(20 400)	–	(20 400)	(5 613)	–
<b>Cash/cash equivalents at the year end</b>	(40 587)	1 127 821	1 645 032	(40 959)	(18 155)	(18 155)	6 949	25 252	79 643	145 610
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	56 508	35 719	32 057	(60 237)	(22 420)	(22 420)	50 554	25 252	79 619	145 610
Application of cash and investments	1 655 230	1 576 204	1 673 542	268 795	270 608	270 608	1 920 138	(25 222)	(120 161)	(134 925)
<b>Balance - surplus (shortfall)</b>	(1 598 722)	(1 540 485)	(1 641 485)	(329 031)	(293 028)	(293 028)	(1 869 584)	50 474	199 780	280 535
<b>Asset management</b>										
Asset register summary (WDV)	1 182 023	1 189 619	1 256 048	1 193 795	1 193 343	1 193 343	1 196 406	1 196 406	1 482 314	1 485 526
Depreciation	86 787	74 880	69 119	83 646	83 646	83 646	87 220	87 220	91 145	93 423
Renewal and Upgrading of Existing Assets	(123)	36	51 703	14 875	11 004	11 004	21 565	–	–	–
Repairs and Maintenance	16 792	25 507	27 720	26 035	31 066	31 066	26 083	26 083	30 186	27 983
<b>Free services</b>										
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	(15 723)	(15 254)	(10 346)	(17 246)	(17 246)	(17 246)	(18 761)	(19 616)	(20 162)	–
<b>Households below minimum service level</b>										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

## NOTES

- Total Revenue excluding capital transfers and contributions is estimated at R750.3 million for 2025/26 financial year, R780 million and R807 million for the year 2026/27 and 2027/28 respectively.
- Total Expenditure is estimated at R795.1 million for 2025/26 financial year, R842 million and R870 million for the year 2026/27 and 2027/28 respectively.
- Total Capital expenditure budget for the financial year 2025/26 is estimated to be R59.3 million VAT exclusive, which comprises of R32.2 million from Capital transfers Grants and R27.1 million funded internally.

## 2.2. BUDGETED FINANCIAL PERFORMANCE

LIM334 Ba-Phalaborwa - 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		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		376 539	381 637	432 797	481 434	481 675	481 675	493 250	505 385	522 369
Finance and administration		376 539	381 637	432 797	481 434	481 675	481 675	493 250	505 385	522 369
<b>Community and public safety</b>		39 045	16 037	13 971	6 672	6 722	6 722	14 440	15 090	15 467
Community and social services		181	267	282	227	277	277	328	343	351
Public safety		38 863	15 770	13 689	6 445	6 445	6 445	14 112	14 747	15 116
<b>Economic and environmental services</b>		33 950	38 174	37 304	40 731	40 781	40 781	42 577	43 998	45 870
Planning and development		440	176	284	275	275	275	301	315	323
Road transport		33 510	37 998	37 020	40 457	40 507	40 507	42 276	43 683	45 547
<b>Trading services</b>		165 305	158 620	171 495	244 532	244 532	244 532	237 102	255 970	264 977
Energy sources		140 226	132 274	142 350	209 912	209 912	209 912	205 673	223 127	231 313
Waste management		25 079	26 346	29 144	34 620	34 620	34 620	31 429	32 843	33 664
<b>Total Revenue - Functional</b>	2	614 839	594 468	655 568	773 369	773 711	773 711	787 369	820 444	848 682
<b>Expenditure - Functional</b>	-									
<b>Governance and administration</b>		344 815	139 212	465 696	320 571	320 878	320 878	349 363	369 985	383 852
Executive and council		31 494	41 238	41 136	55 413	55 921	55 921	47 561	51 521	54 687
Finance and administration		292 821	74 112	397 020	230 750	231 322	231 322	271 970	286 574	297 394
Internal audit		20 500	23 862	27 540	34 409	33 636	33 636	29 832	31 889	31 771
<b>Community and public safety</b>		75 358	54 256	42 315	71 815	68 601	68 601	71 647	76 903	81 903
Community and social services		19 130	19 171	6 904	23 432	21 556	21 556	22 029	23 859	24 459
Sport and recreation		2 992	2 750	2 762	4 151	5 353	5 353	4 579	4 773	4 948
Public safety		40 631	19 328	19 458	23 486	23 316	23 316	24 387	26 096	27 895
Health		12 605	13 008	13 190	20 745	18 375	18 375	20 652	22 175	24 601
<b>Economic and environmental services</b>		116 326	105 199	111 772	144 798	147 213	147 213	138 752	141 077	143 891
Planning and development		15 507	15 708	19 279	37 604	36 555	36 555	32 415	28 240	26 611
Road transport		100 819	89 491	92 494	107 194	110 658	110 658	106 337	112 837	117 280
<b>Trading services</b>		169 838	148 859	196 009	233 913	237 018	237 018	235 384	254 070	260 116
Energy sources		147 323	146 385	202 348	223 459	226 285	226 285	225 791	244 061	249 856

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Waste management		22 515	2 474	(6 339)	10 454	10 734	10 734	9 593	10 009	10 260
<b>Total Expenditure - Functional</b>	3	<b>706 336</b>	<b>447 526</b>	<b>815 792</b>	<b>771 097</b>	<b>773 711</b>	<b>773 711</b>	<b>795 146</b>	<b>842 035</b>	<b>869 762</b>
<b>Surplus/(Deficit) for the year</b>		<b>(91 497)</b>	<b>146 942</b>	<b>(160 224)</b>	<b>2 273</b>	<b>-</b>	<b>-</b>	<b>(7 777)</b>	<b>(21 591)</b>	<b>(21 080)</b>

## NOTES

- Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure by functional classification.
- Total Revenue by functional Classification amount to **R787.4 million** for the financial year 2025/26 and total operating expenditure by functional Classification is estimated at **R795.1 million**.
- It must be noted that the Total Revenue on this table includes capital revenues (Transfers recognised – capital)



## 2.3. BUDGETED FINANCIAL PERFORMANCE BY MUNICIPAL VOTE

LIM334 Ba-Phalaborwa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description  R thousand	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 1 - Executive and Councillors		–	–	–	–	–	–	–	–	–
Vote 2 - Budget and Treasury Office		376 294	380 822	432 151	481 149	481 310	481 310	492 900	505 020	521 994
Vote 3 - Corporate Services		246	815	647	285	365	365	349	365	374
Vote 4 - Community and Social Services		39 651	16 562	14 263	8 105	8 155	8 155	15 727	16 435	16 845
Vote 5 - Planning and Development Services		440	176	284	275	275	275	301	315	323
Vote 6 - Technical Services		198 209	196 093	208 224	283 555	283 605	283 605	278 091	298 309	309 145
<b>Total Revenue by Vote</b>	2	<b>614 839</b>	<b>594 468</b>	<b>655 568</b>	<b>773 369</b>	<b>773 711</b>	<b>773 711</b>	<b>787 369</b>	<b>820 444</b>	<b>848 682</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - Executive and Councillors		54 525	66 915	70 287	92 665	92 329	92 329	80 295	86 765	90 016
Vote 2 - Budget and Treasury Office		234 968	16 267	336 019	142 750	143 644	143 644	192 104	201 317	208 045
Vote 3 - Corporate Services		57 853	57 846	61 001	87 700	87 578	87 578	79 823	84 997	89 088
Vote 4 - Community and Social Services		103 691	66 183	43 091	88 427	86 853	86 853	88 781	95 040	101 062
Vote 5 - Planning and Development Services		13 870	13 475	16 570	34 314	33 280	33 280	29 887	25 611	23 859
Vote 6 - Technical Services		241 429	226 841	288 824	325 242	330 026	330 026	324 255	348 305	357 693
<b>Total Expenditure by Vote</b>	2	<b>706 336</b>	<b>447 526</b>	<b>815 792</b>	<b>771 097</b>	<b>773 711</b>	<b>773 711</b>	<b>795 146</b>	<b>842 035</b>	<b>869 762</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>(91 497)</b>	<b>146 942</b>	<b>(160 224)</b>	<b>2 273</b>	<b>–</b>	<b>–</b>	<b>(7 777)</b>	<b>(21 591)</b>	<b>(21 080)</b>

- Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote.
- Total Revenue by Municipal Vote is **R787.4 million** for the year 2025/26 and total Expenditure by Vote is estimated to be **R795.1 million**.
- The estimated expenditure by vote per department is allocated in the table above and the biggest one being technical department as service delivery department.

## 2.4. BUDGETED MUNICIPAL PERFORMANCE REVENUE AND EXPENDITURE

LIM334 Ba-Phalaborwa - 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>	<b>1</b>										
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	113 307	119 965	117 710	197 916	197 916	197 916	111 500	193 957	204 237	216 879
Service charges - Waste Management	2	18 082	18 558	20 167	21 914	21 914	21 914	17 547	19 894	20 789	21 309
Sale of Goods and Rendering of Services		887	664	795	784	5 698	5 698	1 077	5 993	7 899	8 237
Agency services		21 601	15 400	13 388	6 888	6 888	6 888	3 033	11 932	12 469	12 780
Interest earned from Receivables		11 337	25 626	14 251	18 470	18 470	18 470	8 788	16 768	17 522	17 961
Interest earned from Current and Non Current Assets		2 434	4 026	5 120	5 394	5 894	5 894	4 378	5 351	5 591	5 731
Rental from Fixed Assets		205	512	342	285	365	365	379	349	365	374
Operational Revenue		9 790	613	497	8 186	8 186	8 186	316	7 432	7 766	7 960
<b>Non-Exchange Revenue</b>											
Property rates	2	133 398	135 075	127 740	194 706	194 706	194 706	169 551	214 177	223 815	229 410
Fines, penalties and forfeits		598	514	280	1 438	1 438	1 438	34	1 306	1 365	1 399
Licences or permits		20 358	4 143	4 296	6 445	6 445	6 445	4 491	5 851	6 115	6 267
Transfer and subsidies - Operational		182 025	196 070	215 659	223 212	222 873	222 873	221 706	224 034	227 248	232 247
Interest		41 761	30 429	34 468	47 632	47 632	47 632	32 117	43 242	45 188	46 318
Gains on disposal of Assets		-	(17)	87	-	-	-	-	-	-	-
Other Gains		1 163	10 542	(1 476)	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>556 948</b>	<b>562 120</b>	<b>553 324</b>	<b>733 271</b>	<b>738 427</b>	<b>738 427</b>	<b>574 917</b>	<b>750 286</b>	<b>780 369</b>	<b>806 873</b>
<b>Expenditure</b>											
Employee related costs	2	165 677	172 122	167 310	211 878	211 878	211 878	148 191	223 845	239 485	256 159
Remuneration of councillors		17 262	18 189	16 987	18 067	18 067	18 067	14 456	19 196	20 539	21 977
Bulk purchases - electricity	2	101 086	93 614	116 160	155 868	153 890	153 890	117 845	150 812	158 805	168 651
Inventory consumed	8	29 761	36 006	46 282	24 104	25 204	25 204	20 169	26 313	27 497	28 184
Debt impairment	3	-	1 133	-	105 500	105 500	105 500	-	110 142	115 098	117 976
Depreciation and amortisation		86 780	47 422	43 073	83 646	83 646	83 646	67 947	87 220	91 145	93 423
Interest		18 266	20 847	22 902	20 552	20 552	20 552	2 071	20 722	21 654	22 196

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Contracted services		71 025	48 792	75 829	78 607	83 153	83 153	45 728	68 642	76 165	68 589
Transfers and subsidies		9 854	7 390	10 676	1 076	676	676	214	522	454	473
Irrecoverable debts written off		136 917	(54 976)	258 191	-	-	-	-	-	-	-
Operational costs		69 106	56 582	58 958	115 540	115 196	115 196	80 887	87 732	91 191	92 133
Other Losses		(79 375)	404	1 519	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>626 360</b>	<b>447 526</b>	<b>817 887</b>	<b>814 838</b>	<b>817 762</b>	<b>817 762</b>	<b>497 509</b>	<b>795 146</b>	<b>842 035</b>	<b>869 762</b>
<b>Surplus/(Deficit)</b>		<b>(69 411)</b>	<b>114 594</b>	<b>(264 563)</b>	<b>(81 567)</b>	<b>(79 335)</b>	<b>(79 335)</b>	<b>77 408</b>	<b>(44 860)</b>	<b>(61 665)</b>	<b>(62 889)</b>
Transfers and subsidies - capital (monetary allocations)	6	47 155	42 559	49 065	40 098	35 284	35 284	19 654	37 083	40 075	41 810
Transfers and subsidies - capital (in-kind)	6	11 899	332	51 703	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>(10 357)</b>	<b>157 484</b>	<b>(163 795)</b>	<b>(41 469)</b>	<b>(44 051)</b>	<b>(44 051)</b>	<b>97 062</b>	<b>(7 777)</b>	<b>(21 591)</b>	<b>(21 080)</b>

## Notes

- Total Revenue (excluding capital transfers and contributions) is **R750.3** million for 2025/26 financial year and increases to **R780.4** million for 2026/27 financial year and **R807** million for 2027/28 financial year.
- Revenue to be generated from property rate is estimated at **R214** million in 2025/26 financial year of which the property valuation roll was considered. It must be noted that the revenue excludes the revenue foregone.
- Services charges relating to electricity is **R194** million which is VAT Inclusive.
- Transfers recognised – operating grants includes the local government equitable share which shows an increase for the two outer years.
- Total operational expenditure is estimated to be **R795.1** million for 2025/26 which is VAT Inclusive.
- The employees' related cost is estimated to be **R224** million.
- The Remuneration of Councillors is projected at **R19.2** million and of which the municipality considered the Minister of COGSTA Determination of Upper Limits.
- The depreciation and amortisation has been estimated at **R87.2** million of which the Asset Register has been considered.

## 2.5. BUDGETED CAPITAL EXPENDITURE BY VOTE

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - Executive and Councillors		-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office		41 744	(36 245)	(1 232)	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	1 206	(440)	1 700	1 700	1 700	1 700	1 478	1 739	1 913
Vote 4 - Community and Social Services		47 771	(17 789)	4 056	7 225	7 225	7 225	7 225	3 478	8 696	8 696
Vote 5 - Planning and Development Services		-	-	-	-	-	-	-	-	-	-
Vote 6 - Technical Services		(427)	15 720	86 396	50 868	46 054	46 054	46 054	54 362	39 423	37 660
<b>Capital single-year expenditure sub-total</b>		<b>89 087</b>	<b>(37 107)</b>	<b>88 781</b>	<b>59 793</b>	<b>54 979</b>	<b>54 979</b>	<b>54 979</b>	<b>59 319</b>	<b>49 858</b>	<b>48 269</b>
<b>Total Capital Expenditure - Vote</b>		<b>89 087</b>	<b>(37 107)</b>	<b>88 781</b>	<b>59 793</b>	<b>54 979</b>	<b>54 979</b>	<b>54 979</b>	<b>59 319</b>	<b>49 858</b>	<b>48 269</b>
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		<b>41 744</b>	<b>(35 038)</b>	<b>(1 672)</b>	<b>1 700</b>	<b>1 700</b>	<b>1 700</b>	<b>2 067</b>	<b>1 478</b>	<b>1 739</b>	<b>1 913</b>
Finance and administration		41 744	(35 038)	(1 672)	1 700	1 700	1 700	2 067	1 478	1 739	1 913
<b>Community and public safety</b>		<b>(117)</b>	<b>117</b>	<b>39 954</b>	<b>13 575</b>	<b>12 637</b>	<b>12 637</b>	<b>1 112</b>	<b>9 043</b>	-	-
Community and social services		-	-	-	1 000	1 000	1 000	644	-	-	-
Sport and recreation		(117)	117	39 954	11 775	10 837	10 837	268	9 043	-	-
Health		-	-	-	800	800	800	200	-	-	-
<b>Economic and environmental services</b>		<b>(6)</b>	<b>15 299</b>	<b>46 442</b>	<b>31 504</b>	<b>32 442</b>	<b>32 442</b>	<b>24 499</b>	<b>43 404</b>	<b>30 903</b>	<b>37 660</b>
Road transport		(6)	15 299	46 442	31 504	32 442	32 442	24 499	43 404	30 903	37 660
<b>Trading services</b>		<b>47 467</b>	<b>(17 485)</b>	<b>4 056</b>	<b>13 014</b>	<b>8 200</b>	<b>8 200</b>	-	<b>5 393</b>	<b>17 215</b>	<b>8 696</b>
Energy sources		(304)	304	-	8 014	3 200	3 200	-	1 915	8 520	-
Waste management		47 771	(17 789)	4 056	5 000	5 000	5 000	-	3 478	8 696	8 696
<b>Total Capital Expenditure - Functional</b>	3	<b>89 087</b>	<b>(37 107)</b>	<b>88 781</b>	<b>59 793</b>	<b>54 979</b>	<b>54 979</b>	<b>27 678</b>	<b>59 319</b>	<b>49 858</b>	<b>48 269</b>
<b>Funded by:</b>											
National Government		(427)	15 720	34 693	40 098	35 284	35 284	18 924	32 246	34 848	36 356
<b>Transfers recognised - capital</b>	4	<b>(427)</b>	<b>15 720</b>	<b>34 693</b>	<b>40 098</b>	<b>35 284</b>	<b>35 284</b>	<b>18 924</b>	<b>32 246</b>	<b>34 848</b>	<b>36 356</b>
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		67 966	(31 279)	54 088	19 695	19 695	19 695	8 754	27 073	15 010	11 913
<b>Total Capital Funding</b>	7	<b>67 539</b>	<b>(15 558)</b>	<b>88 781</b>	<b>59 793</b>	<b>54 979</b>	<b>54 979</b>	<b>27 678</b>	<b>59 319</b>	<b>49 858</b>	<b>48 269</b>

### Note:

- The Capital Projects amount to **R59.3 million** which are appropriated per department in the municipality.
- Note that budget for 2025/26 – 2027/28 are VAT exclusive.

## 2.6. BUDGETED FINANCIAL POSITION

LIM334 Ba-Phalaborwa - 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>R thousand</b>											
<b>ASSETS</b>											
<b>Current assets</b>											
Cash and cash equivalents		56 508	35 719	32 057	(60 237)	(22 420)	(22 420)	50 554	25 252	79 619	145 610
Trade and other receivables from exchange transactions	1	1 242 453	1 530 149	1 727 066	261 864	90 365	90 365	1 739 254	131 258	271 860	273 641
Receivables from non-exchange transactions	1	89 591	273 519	49 261	330 373	48 590	48 590	234 068	38 667	74 969	88 775
Current portion of non-current receivables		–	–	–	29	–	–	–	–	30	30
Inventory	2	21 354	20 926	17 030	20 926	17 030	17 030	75 339	17 030	22 070	23 291
VAT		25 827	59 240	76 645	61 892	69 390	69 390	93 314	55 805	54 763	55 030
Other current assets		1 154	8 372	10 399	8 210	10 500	10 500	10 395	11 378	9 504	9 527
<b>Total current assets</b>		<b>1 436 889</b>	<b>1 927 924</b>	<b>1 912 458</b>	<b>623 056</b>	<b>213 457</b>	<b>213 457</b>	<b>2 202 924</b>	<b>279 391</b>	<b>512 817</b>	<b>595 904</b>
<b>Non current assets</b>											
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		414 579	440 904	472 392	463 697	472 392	472 392	472 392	472 392	485 027	485 027
Property, plant and equipment	3	708 218	701 061	716 522	821 424	775 870	775 870	676 253	778 830	1 092 708	1 095 919
Biological assets		–	–	–	–	–	–	–	–	–	–
Living and non-living resources		–	–	–	–	–	–	–	–	–	–
Heritage assets		121 522	104 952	77 843	333	317	317	77 843	317	348	348
Intangible assets		183	91	0	(6)	(102)	(102)	0	0	100	100
Trade and other receivables from exchange transactions		–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions		–	149	149	–	–	–	149	–	–	–
Other non-current assets		–	–	–	–	–	–	–	–	–	–
<b>Total non current assets</b>		<b>1 244 502</b>	<b>1 247 158</b>	<b>1 266 906</b>	<b>1 285 447</b>	<b>1 248 477</b>	<b>1 248 477</b>	<b>1 226 637</b>	<b>1 251 539</b>	<b>1 578 183</b>	<b>1 581 394</b>
<b>TOTAL ASSETS</b>		<b>2 681 391</b>	<b>3 175 082</b>	<b>3 179 364</b>	<b>1 908 503</b>	<b>1 461 934</b>	<b>1 461 934</b>	<b>3 429 561</b>	<b>1 530 930</b>	<b>2 090 999</b>	<b>2 177 298</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	-	–	–	–	–	–	–	–	–	–	–
Financial liabilities		16 382	17 668	20 122	(1 866)	(278)	(278)	20 554	7 951	13 749	19 386
Consumer deposits		4 627	5 006	5 532	5 059	5 267	5 267	5 929	5 267	5 291	5 291
Trade and other payables from exchange transactions	4	1 674 435	1 798 611	1 959 313	445 755	388 271	388 271	2 040 458	383 902	434 205	434 207
Trade and other payables from non-exchange transactions	5	918	0	340	–	340	340	20 222	–	–	–
Provision		20 870	26 862	25 213	6 280	6 025	6 025	25 213	6 025	6 569	6 569
VAT		46 738	91 756	121 310	56 302	47 067	47 067	154 018	82 760	96 424	98 493

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Other current liabilities		–	(848)	2 027	–	–	–	–	–	–	–
<b>Total current liabilities</b>		<b>1 763 971</b>	<b>1 939 056</b>	<b>2 133 858</b>	<b>511 529</b>	<b>446 691</b>	<b>446 691</b>	<b>2 266 394</b>	<b>485 904</b>	<b>556 238</b>	<b>563 946</b>
<b>Non current liabilities</b>											
Financial liabilities	6	61 031	45 818	25 862	48 085	25 884	25 884	6 580	25 884	50 297	50 297
Provision	7	105 416	104 715	113 637	112 364	113 637	113 637	113 637	113 637	119 898	119 898
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–
Other non-current liabilities		53 631	49 929	58 440	44 080	51 407	51 407	58 440	51 407	51 407	51 407
<b>Total non current liabilities</b>		<b>220 078</b>	<b>200 461</b>	<b>197 939</b>	<b>204 530</b>	<b>190 928</b>	<b>190 928</b>	<b>178 657</b>	<b>190 928</b>	<b>221 602</b>	<b>221 602</b>
<b>TOTAL LIABILITIES</b>		<b>1 984 049</b>	<b>2 139 517</b>	<b>2 331 797</b>	<b>716 059</b>	<b>637 619</b>	<b>637 619</b>	<b>2 445 051</b>	<b>676 832</b>	<b>777 840</b>	<b>785 548</b>
<b>NET ASSETS</b>		<b>697 342</b>	<b>1 035 565</b>	<b>847 568</b>	<b>1 192 444</b>	<b>824 315</b>	<b>824 315</b>	<b>984 510</b>	<b>854 098</b>	<b>1 313 160</b>	<b>1 391 750</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated surplus/(deficit)	8	661 493	1 021 893	847 958	1 127 687	767 172	767 172	945 010	841 905	1 299 781	1 378 372
Reserves and funds	9	38 072	12 193	6 642	12 790	12 193	12 193	6 642	12 193	13 379	13 379
Other											
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	10	<b>699 565</b>	<b>1 034 086</b>	<b>854 600</b>	<b>1 140 477</b>	<b>779 365</b>	<b>779 365</b>	<b>951 652</b>	<b>854 098</b>	<b>1 313 160</b>	<b>1 391 750</b>

## 2.7. BUDGETED CASH FLOWS

LIM334 Ba-Phalaborwa - 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		–	88 202	164 757	163 553	163 553	163 553	81 871	185 080	241 761	247 805
Service charges		–	184 589	297 663	188 174	188 174	188 174	71 398	172 351	226 696	239 955
Other revenue		51 000	82 328	155 282	24 027	29 021	29 021	93 479	32 863	35 978	37 018
Transfers and Subsidies - Operational	1	2 418	199 057	414 290	223 212	222 873	222 873	224 652	224 034	227 248	232 247
Transfers and Subsidies - Capital	1	–	42 377	93 327	40 098	35 284	35 284	33 141	37 083	40 075	41 810
Interest		–	–	–	–	–	–	–	5 351	5 591	5 731
Dividends		–	–	–	–	–	–	–	–	–	–
<b>Payments</b>											
Suppliers and employees		(94 005)	531 801	586 793	(724 692)	(697 964)	(697 964)	(518 195)	(594 434)	(660 072)	(682 572)
Interest		–	–	–	(2 617)	(2 617)	(2 617)	–	(2 376)	(2 483)	(2 545)
Transfers and Subsidies	1	–	–	–	(1 076)	(676)	(676)	–	(522)	(454)	(473)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(40 587)</b>	<b>1 128 353</b>	<b>1 712 112</b>	<b>(89 321)</b>	<b>(62 351)</b>	<b>(62 351)</b>	<b>(13 654)</b>	<b>59 431</b>	<b>114 341</b>	<b>118 976</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
<b>Payments</b>											
Capital assets		–	(19 232)	(68 780)	68 762	64 596	64 596	20 603	(68 217)	(54 336)	(53 009)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>–</b>	<b>(19 232)</b>	<b>(68 780)</b>	<b>68 762</b>	<b>64 596</b>	<b>64 596</b>	<b>20 603</b>	<b>(68 217)</b>	<b>(54 336)</b>	<b>(53 009)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Increase (decrease) in consumer deposits									–	25	–
<b>Payments</b>											
Repayment of borrowing		–	18 700	1 700	(20 400)	(20 400)	(20 400)	–	(20 400)	(5 638)	–
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>–</b>	<b>18 700</b>	<b>1 700</b>	<b>(20 400)</b>	<b>(20 400)</b>	<b>(20 400)</b>	<b>–</b>	<b>(20 400)</b>	<b>(5 613)</b>	<b>–</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(40 587)</b>	<b>1 127 821</b>	<b>1 645 032</b>	<b>(40 959)</b>	<b>(18 155)</b>	<b>(18 155)</b>	<b>6 949</b>	<b>(29 186)</b>	<b>54 392</b>	<b>65 966</b>
Cash/cash equivalents at the year begin:	2	–	–	–	–	–	–	–	54 438	25 252	79 643
Cash/cash equivalents at the year end:	2	<b>(40 587)</b>	<b>1 127 821</b>	<b>1 645 032</b>	<b>(40 959)</b>	<b>(18 155)</b>	<b>(18 155)</b>	<b>6 949</b>	<b>25 252</b>	<b>79 643</b>	<b>145 610</b>

## NOTES

- The budgeted cash flow statement is the first measurement in determining if the budget is funded, it shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
- Cash and cash equivalents total **R25.3 million** as at the end of the 2025/26 financial year



## 2.8. CASH BACKED RESERVES/ACCUMULATED SURPLUSES

LIM334 Ba-Phalaborwa - 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	(40 587)	1 127 821	1 645 032	(40 959)	(18 155)	(18 155)	6 949	25 252	79 643	145 610
Other current investments > 90 days		97 095	(1 092 102)	(1 612 974)	(19 278)	(4 264)	(4 264)	43 604	–	(25)	0
Non current Investments	1	–	–	–	–	–	–	–	–	–	–
<b>Cash and investments available:</b>		<b>56 508</b>	<b>35 719</b>	<b>32 057</b>	<b>(60 237)</b>	<b>(22 420)</b>	<b>(22 420)</b>	<b>50 554</b>	<b>25 252</b>	<b>79 619</b>	<b>145 610</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		918	0	340	–	340	340	20 222	–	–	–
Unspent borrowing											
Statutory requirements	2										
Other working capital requirements	3	1 654 311	1 576 203	1 673 202	268 795	270 268	270 268	1 899 916	(25 222)	(120 161)	(134 925)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
<b>Total Application of cash and investments:</b>		<b>1 655 230</b>	<b>1 576 204</b>	<b>1 673 542</b>	<b>268 795</b>	<b>270 608</b>	<b>270 608</b>	<b>1 920 138</b>	<b>(25 222)</b>	<b>(120 161)</b>	<b>(134 925)</b>
<b>Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits</b>		<b>(1 598 722)</b>	<b>(1 540 485)</b>	<b>(1 641 485)</b>	<b>(329 031)</b>	<b>(293 028)</b>	<b>(293 028)</b>	<b>(1 869 584)</b>	<b>50 474</b>	<b>199 780</b>	<b>280 535</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>(1 598 722)</b>	<b>(1 540 485)</b>	<b>(1 641 485)</b>	<b>(329 031)</b>	<b>(293 028)</b>	<b>(293 028)</b>	<b>(1 869 584)</b>	<b>50 474</b>	<b>199 780</b>	<b>280 535</b>

### NOTES

- As part of the budgeting and planning guidelines that informed the compilation of the 2025/26 MTREF the end objective of the medium-term framework was to ensure the budget is funded as per section 18 of the MFMA

## 2.9. ASSET MANAGEMENT

LIM334 Ba-Phalaborwa - Table A9 Asset Management

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>										
<b>CAPITAL EXPENDITURE</b>										
<b><u>Total New Assets</u></b>	1	<b>56 162</b>	<b>51 944</b>	<b>89 058</b>	<b>44 918</b>	<b>43 975</b>	<b>43 975</b>	<b>37 754</b>	<b>49 858</b>	<b>48 269</b>
Roads Infrastructure		–	–	–	25 692	30 652	30 652	29 578	29 599	28 095
Storm water Infrastructure		–	15 293	10 032	1 350	1 198	1 198	1 304	1 304	1 304
Electrical Infrastructure		(304)	–	–	8 014	3 200	3 200	1 915	8 520	–
Solid Waste Infrastructure		47 771	29 982	34 038	–	–	–	–	–	–
<b>Infrastructure</b>		<b>47 467</b>	<b>45 275</b>	<b>44 070</b>	<b>35 056</b>	<b>35 050</b>	<b>35 050</b>	<b>32 797</b>	<b>39 423</b>	<b>29 400</b>
Community Facilities		558	384	–	1 000	1 000	1 000	–	–	–
Sport and Recreation Facilities		–	–	39 954	938	–	–	–	–	–
<b>Community Assets</b>		<b>558</b>	<b>384</b>	<b>39 954</b>	<b>1 938</b>	<b>1 000</b>	<b>1 000</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Computer Equipment</b>		<b>1 068</b>	<b>1 400</b>	<b>1 698</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Furniture and Office Equipment</b>		<b>–</b>	<b>1 206</b>	<b>767</b>	<b>1 700</b>	<b>1 700</b>	<b>1 700</b>	<b>1 478</b>	<b>1 739</b>	<b>1 913</b>
<b>Machinery and Equipment</b>		<b>1 281</b>	<b>2 313</b>	<b>1 343</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>8 261</b>
<b>Transport Assets</b>		<b>5 788</b>	<b>1 365</b>	<b>1 226</b>	<b>1 225</b>	<b>1 225</b>	<b>1 225</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Land</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>5 000</b>	<b>5 000</b>	<b>5 000</b>	<b>3 478</b>	<b>8 696</b>	<b>8 696</b>
<b><u>Total Upgrading of Existing Assets</u></b>	6	<b>(123)</b>	<b>36</b>	<b>51 703</b>	<b>14 875</b>	<b>11 004</b>	<b>11 004</b>	<b>21 565</b>	<b>–</b>	<b>–</b>
Roads Infrastructure		(6)	–	51 703	4 037	167	167	12 522	–	–
<b>Infrastructure</b>		<b>(6)</b>	<b>–</b>	<b>51 703</b>	<b>4 037</b>	<b>167</b>	<b>167</b>	<b>12 522</b>	<b>–</b>	<b>–</b>
Community Facilities		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		(117)	–	–	10 837	10 837	10 837	9 043	–	–
<b>Community Assets</b>		<b>(117)</b>	<b>–</b>	<b>–</b>	<b>10 837</b>	<b>10 837</b>	<b>10 837</b>	<b>9 043</b>	<b>–</b>	<b>–</b>
<b>Heritage Assets</b>		<b>–</b>	<b>36</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
<b><u>Total Capital Expenditure</u></b>	4	<b>56 039</b>	<b>51 980</b>	<b>140 761</b>	<b>59 793</b>	<b>54 979</b>	<b>54 979</b>	<b>59 319</b>	<b>49 858</b>	<b>48 269</b>
Roads Infrastructure		(6)	–	51 703	29 729	30 819	30 819	42 099	29 599	28 095
Storm water Infrastructure		–	15 293	10 032	1 350	1 198	1 198	1 304	1 304	1 304
Electrical Infrastructure		(304)	–	–	8 014	3 200	3 200	1 915	8 520	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		47 771	29 982	34 038	–	–	–	–	–	–

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Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>47 461</b>	<b>45 275</b>	<b>95 773</b>	<b>39 093</b>	<b>35 217</b>	<b>35 217</b>	<b>45 319</b>	<b>39 423</b>	<b>29 400</b>
Community Facilities		558	384	-	1 000	1 000	1 000	-	-	-
Sport and Recreation Facilities		(117)	-	39 954	11 775	10 837	10 837	9 043	-	-
<b>Community Assets</b>		<b>441</b>	<b>384</b>	<b>39 954</b>	<b>12 775</b>	<b>11 837</b>	<b>11 837</b>	<b>9 043</b>	<b>-</b>	<b>-</b>
Computer Equipment		1 068	1 400	1 698	-	-	-	-	-	-
Furniture and Office Equipment		-	1 206	767	1 700	1 700	1 700	1 478	1 739	1 913
Machinery and Equipment		1 281	2 313	1 343	-	-	-	-	-	8 261
Transport Assets		5 788	1 365	1 226	1 225	1 225	1 225	-	-	-
Land		-	-	-	5 000	5 000	5 000	3 478	8 696	8 696
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		<b>56 039</b>	<b>51 980</b>	<b>140 761</b>	<b>59 793</b>	<b>54 979</b>	<b>54 979</b>	<b>59 319</b>	<b>49 858</b>	<b>48 269</b>
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	1 182 023	1 189 619	1 256 048	1 193 795	1 193 343	1 193 343	1 196 406	1 482 314	1 485 526
Roads Infrastructure		349 247	362 442	376 959	420 036	217 805	217 805	227 535	436 273	433 808
Storm water Infrastructure		(45 541)	(30 247)	(22 823)	(39 947)	19 202	19 202	19 177	19 918	20 755
Electrical Infrastructure		9 032	9 053	692	4 226	104 412	104 412	102 671	82 436	76 051
Solid Waste Infrastructure		47 771	29 982	34 038	-	-	-	-	-	-
<b>Infrastructure</b>		<b>360 509</b>	<b>371 229</b>	<b>388 866</b>	<b>384 315</b>	<b>341 419</b>	<b>341 419</b>	<b>349 382</b>	<b>538 627</b>	<b>530 614</b>
<b>Community Assets</b>		205 277	191 274	219 792	278 692	217 870	217 870	214 471	277 530	277 155
Heritage Assets		121 522	104 952	77 843	333	317	317	317	348	348
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>414 579</b>	<b>440 904</b>	<b>472 392</b>	<b>463 697</b>	<b>472 392</b>	<b>472 392</b>	<b>472 392</b>	<b>485 027</b>	<b>485 027</b>
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		(733)	(962)	15 616	(36 343)	63 720	63 720	63 114	65 877	69 061
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		183	91	0	(6)	(102)	(102)	0	100	100
Computer Equipment		619	1 143	1 840	(3 047)	(410)	(410)	1 816	1 882	2 020
Furniture and Office Equipment		(292)	601	881	1 854	2 154	2 154	1 898	1 865	2 018
Machinery and Equipment		798	2 076	2 455	9 988	9 988	9 988	9 901	10 358	18 565
Transport Assets		4 850	3 600	1 653	10 942	6 285	6 285	4 926	10 028	9 945
Land		74 711	74 711	74 711	83 372	79 711	79 711	78 189	90 672	90 672
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>5</b>	<b>1 182 023</b>	<b>1 189 619</b>	<b>1 256 048</b>	<b>1 193 795</b>	<b>1 193 343</b>	<b>1 193 343</b>	<b>1 196 406</b>	<b>1 482 314</b>	<b>1 485 526</b>
<b>EXPENDITURE OTHER ITEMS</b>		<b>103 579</b>	<b>100 387</b>	<b>96 839</b>	<b>109 681</b>	<b>114 712</b>	<b>114 712</b>	<b>113 303</b>	<b>121 331</b>	<b>121 406</b>
<b><u>Depreciation</u></b>	<b>7</b>	<b>86 787</b>	<b>74 880</b>	<b>69 119</b>	<b>83 646</b>	<b>83 646</b>	<b>83 646</b>	<b>87 220</b>	<b>91 145</b>	<b>93 423</b>
<b><u>Repairs and Maintenance by Asset Class</u></b>	<b>3</b>	<b>16 792</b>	<b>25 507</b>	<b>27 720</b>	<b>26 035</b>	<b>31 066</b>	<b>31 066</b>	<b>26 083</b>	<b>30 186</b>	<b>27 983</b>
<i>Roads Infrastructure</i>		5 481	5 317	8 095	12 950	14 450	14 450	9 569	12 530	12 735
<i>Storm water Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Electrical Infrastructure</i>		4 371	7 952	11 270	3 000	3 556	3 556	5 000	5 744	3 149
<i>Water Supply Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Sanitation Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Solid Waste Infrastructure</i>		–	3 415	2 728	1 213	3 213	3 213	2 917	3 048	3 124
<i>Rail Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Coastal Infrastructure</i>		–	–	–	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>		100	47	326	500	770	770	–	–	–
<b>Infrastructure</b>		<b>9 953</b>	<b>16 730</b>	<b>22 420</b>	<b>17 663</b>	<b>21 989</b>	<b>21 989</b>	<b>17 486</b>	<b>21 323</b>	<b>19 008</b>
Community Facilities		273	378	63	1 373	1 248	1 248	1 870	1 802	1 815
Sport and Recreation Facilities		22	–	–	200	200	200	–	–	–
<b>Community Assets</b>		<b>295</b>	<b>378</b>	<b>63</b>	<b>1 573</b>	<b>1 448</b>	<b>1 448</b>	<b>1 870</b>	<b>1 802</b>	<b>1 815</b>
<b>Investment properties</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Operational Buildings		50	60	–	400	200	200	–	–	–
Housing		–	–	–	–	–	–	–	–	–
<b>Other Assets</b>		<b>50</b>	<b>60</b>	<b>–</b>	<b>400</b>	<b>200</b>	<b>200</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Furniture and Office Equipment</b>		<b>225</b>	<b>546</b>	<b>28</b>	<b>380</b>	<b>400</b>	<b>400</b>	<b>130</b>	<b>217</b>	<b>174</b>
<b>Machinery and Equipment</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Transport Assets</b>		<b>6 268</b>	<b>7 793</b>	<b>5 210</b>	<b>6 018</b>	<b>7 029</b>	<b>7 029</b>	<b>6 597</b>	<b>6 843</b>	<b>6 986</b>
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>103 579</b>	<b>100 387</b>	<b>96 839</b>	<b>109 681</b>	<b>114 712</b>	<b>114 712</b>	<b>113 303</b>	<b>121 331</b>	<b>121 406</b>

## NOTES

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

**LIM334 Ba-Phalaborwa - Supporting Table SA9 Social, economic and demographic statistics and assumptions**

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2021/22	2022/23	2023/24	Current Year 2024/25	2025/26 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
<b><u>Demographics</u></b>												
Population			131	127	151	151	151	151	151	151	151	151
Females aged 5 - 14			15		8	78	78	78	78	78	78	78
Males aged 5 - 14			15		7	73	73	73	73	73	73	73
Females aged 15 - 34			26		7	14	14	14	14	14	14	14
Males aged 15 - 34			24		8	23	23	23	23	23	23	23
Unemployment			36.0%	11.0%	37.4%	20	20	20	20	20	20	20
<b><u>Monthly household income (no. of households)</u></b>	1, 12											
No income			69.9%	54,960	63,891	63,891	63,891	63,891	63,891	63,891	63,891	63,891
R1 - R1 600			5.0%	13,467	14,672	56,476	56,476	56,476	56,476	56,476	56,476	56,476
R1 601 - R3 200			5.2%	5,893	6,632	6,632	6,632	6,632	6,632	6,632	6,632	6,632
R3 201 - R6 400			3.5%	3,678	5,268	5,268	5,268	5,268	5,268	5,268	5,268	5,268
R6 401 - R12 800			1.7%	3,123	5,375	5,357	5,357	5,357	5,357	5,357	5,357	5,357
R12 801 - R25 600			0.5%	2,090	3,746	3,746	3,746	3,746	3,746	3,746	3,746	3,746
R25 601 - R51 200			0.2%	587	920	920	920	920	920	920	920	920
R52 201 - R102 400			0.1%	18	177	177	177	177	177	177	177	177

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R102 401 - R204 800			–	–	64	64	64	64	64	64	64	64
R204 801 - R409 600			–	–	78	78	78	78	78	78	78	78
R409 601 - R819 200 > R819 200												
<b><u>Household/demographics (000)</u></b>												
Number of people in municipal area						151	151	151	151	151	151	151
Number of poor people in municipal area						64	64	64	64	64	64	64
Number of households in municipal area						41	41	41	41	41	41	41
<b><u>Housing statistics</u></b>	3											
Formal			44,425	44,425	44,425	44,425	44,425	44,425	44,425	44,425	44,425	44,425
Informal			148	148	148	148	148	148	148	148	148	148
<b>Total number of households</b>			44,573	44,573	44,573	44,573	44,573	44,573	44,573	44,573	44,573	44,573

**Detail on the provision of municipal services for  
A10**

Total municipal services	Ref.		2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
		<b><u>Household service targets (000)</u></b>									
		<b><u>Water:</u></b>									
		Piped water inside dwelling	15	15	15	15	15	15	15	15	15
		Piped water inside yard (but not in dwelling)	19	19	19	19	19	19	19	19	19
	8	Using public tap (at least min.service level)	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812
	10	Other water supply (at least min.service level)	413	413	413	413	413	413	413	413	413
		<i>Minimum Service Level and Above sub-total</i>	4,259	4,259	4,259	4,259	4,259	4,259	4,259	4,259	4,259
	9	Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (<	234	234	234	234	234	234	234	234	234

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		min.service level)									
		No water supply	2	2	2	2	2	2	2	2	2
		<i>Below Minimum Service Level sub- total</i>	236	236	236	236	236	236	236	236	236
		<b>Total number of households</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>
		<b><u>Sanitation/sewera ge:</u></b>									
		Flush toilet (connected to sewerage)	16,638	16,638	16,638	16,638	16,638	16,638	16,638	16,638	16,638
		Flush toilet (with septic tank)	860	860	860	860	860	860	860	860	860
		Chemical toilet	424	424	424	424	424	424	424	424	424
		Pit toilet (ventilated)	6,718	6,718	6,718	6,718	6,718	6,718	6,718	6,718	6,718
		Other toilet provisions (> min.service level)	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833
		<i>Minimum Service Level and Above sub-total</i>	35,473	35,473	35,473	35,473	35,473	35,473	35,473	35,473	35,473
		Bucket toilet	80	80	80	80	80	80	80	80	80
		Other toilet provisions (< min.service level)	864	864	864	864	864	864	864	864	864
		No toilet provisions	4,698	4,698	4,698	4,698	4,698	4,698	4,698	4,698	4,698



		<i>Below Minimum Service Level sub- total</i>	5,642	5,642	5,642	5,642	5,642	5,642	5,642	5,642	5,642
		<b>Total number of households</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>
		<b><u>Energy:</u></b>									
		Electricity (at least min.service level)	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345
		Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–
		<i>Minimum Service Level and Above sub-total</i>	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345
		<b>Total number of households</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>
		<b><u>Refuse:</u></b>									
		Removed at least once a week	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066
		<i>Minimum Service Level and Above sub-total</i>	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066
		Removed less frequently than once a week	257	257	257	257	257	257	257	257	257
		Using communal refuse dump	684	684	684	684	684	684	684	684	684
		Using own refuse dump	17,849	17,849	17,849	17,849	17,849	17,849	17,849	17,849	17,849

		Other rubbish disposal	327	327	327	327	327	327	327	327	327
		No rubbish disposal	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933
		<i>Below Minimum Service Level sub-total</i>	21,050	21,050	21,050	21,050	21,050	21,050	21,050	21,050	21,050
		<b>Total number of households</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>
<b>Municipal in-house services</b>	Ref.		<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>Current Year 2024/25</b>			<b>2025/26 Medium Term Revenue &amp; Expenditure Framework</b>		
			<b>Outcome</b>	<b>Outcome</b>	<b>Outcome</b>	<b>Original Budget</b>	<b>Adjusted Budget</b>	<b>Full Year Forecast</b>	<b>Budget Year 2025/26</b>	<b>Budget Year +1 2026/27</b>	<b>Budget Year +2 2027/28</b>
		<u><b>Household service targets (000)</b></u>									
		<u><b>Water:</b></u>									
		Piped water inside dwelling	15	15	15	15	15	15	15	15	15
		Piped water inside yard (but not in dwelling)	19	19	19	19	19	19	19	19	19
	8	Using public tap (at least min.service level)	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812
	10	Other water supply (at least	413	413	413	413	413	413	413	413	413

		min.service level)									
	10	Minimum Service Level and Above sub-total	4,259	4,259	4,259	4,259	4,259	4,259	4,259	4,259	4,259
		Other water supply (< min.service level)	234	234	234	234	234	234	234	234	234
		No water supply	2	2	2	2	2	2	2	2	2
		Below Minimum Service Level sub- total	236	236	236	236	236	236	236	236	236
		<b>Total number of households</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>
		<b><u>Sanitation/sewera ge:</u></b>									
		Flush toilet (connected to sewerage)	16,638	16,638	16,638	16,638	16,638	16,638	16,638	16,638	16,638
		Flush toilet (with septic tank)	860	860	860	860	860	860	860	860	860
		Chemical toilet	424	424	424	424	424	424	424	424	424
		Pit toilet (ventilated)	6,718	6,718	6,718	6,718	6,718	6,718	6,718	6,718	6,718
		Other toilet provisions (> min.service level)	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833
		Minimum Service Level and Above sub-total	35,473	35,473	35,473	35,473	35,473	35,473	35,473	35,473	35,473
		Bucket toilet	80	80	80	80	80	80	80	80	80

		Other toilet provisions (< min.service level)	864	864	864	864	864	864	864	864	864
		No toilet provisions	4,698	4,698	4,698	4,698	4,698	4,698	4,698	4,698	4,698
		<i>Below Minimum Service Level sub-total</i>	5,642	5,642	5,642	5,642	5,642	5,642	5,642	5,642	5,642
		<b>Total number of households</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>
		<b><u>Energy:</u></b>									
		Electricity (at least min.service level)	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345
		<i>Minimum Service Level and Above sub-total</i>	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345
		<b>Total number of households</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>
		<b><u>Refuse:</u></b>									
		Removed at least once a week	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066
		<i>Minimum Service Level and Above sub-total</i>	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066
		Removed less frequently than once a week	257	257	257	257	257	257	257	257	257
		Using communal refuse dump	684	684	684	684	684	684	684	684	684

	Using own refuse dump	17,849	17,849	17,849	17,849	17,849	17,849	17,849	17,849	17,849	17,849
	Other rubbish disposal	327	327	327	327	327	327	327	327	327	327
	No rubbish disposal	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933
	<i>Below Minimum Service Level sub-total</i>	21,050	21,050	21,050	21,050	21,050	21,050	21,050	21,050	21,050	21,050
	<b>Total number of households</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>

**PART TWO**

**ANNUAL BUDGET SUPPORTING INFORMATION**

## 5. OVERVIEW OF ANNUAL BUDGET

### 5.1 Schedule of key deadlines relating to budget process

#### IDP, Budget, PMS and MPAC Calendar for 2024–25

The IDP, Budget, PMS, Risk, mSCOA and MPAC calendar presents the activities that will be undertaken by both the District Municipality and Ba-Phalaborwa Municipality during the 2024/25 financial year. The activities will culminate in the adoption of the 2025/26 IDP and Budget both Mopani District Municipality and Ba-Phalaborwa Municipality.

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	IDP			
July 2024	<b>Preparatory Phase</b> <ul style="list-style-type: none"><li>IDP, Budget &amp; PMS Operational Meeting (Preparatory Phase)</li><li>IDP, Budget &amp; PMS Technical Meeting (Preparatory Phase)</li><li>IDP, Budget &amp; PMS Steering Meeting (Preparatory Phase)</li><li>IDP, Budget &amp; PMS Rep Forum (Preparatory Phase)</li><li>Mayor tables IDP/Budget/PMS/MPAC Framework &amp; Process Plan in (Special Council)</li></ul>	Planning and Development <ul style="list-style-type: none"><li>Senior Manager Planning and Development</li><li>Manager Strategic Planning</li></ul>	<ul style="list-style-type: none"><li>18/07/2024 (10h00)</li><li>18/07/2024 (13h00)</li><li>22/07/2024</li><li>23/07/2024</li><li>25/07/2024</li></ul>	
	Budget and mSCOA			
	<ul style="list-style-type: none"><li>Establish Departmental</li></ul>	Budget and Treasury	<ul style="list-style-type: none"><li>26/07/2024</li></ul>	–

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	Budget Committees (include councillors & officials).	<ul style="list-style-type: none"> <li>• CFO</li> <li>• Manager Budget</li> </ul>	05/09/2024	
	<b>PMS</b>			
	<ul style="list-style-type: none"> <li>• Compilation of 2023/2024 4<sup>th</sup> quarterly report</li> <li>• Conclude 2024/25 annual performance agreements</li> <li>• Submit final approved SDBIP to Mayor</li> </ul>	Planning and Development <ul style="list-style-type: none"> <li>• Senior Manager Planning and Development</li> <li>• Manager Strategic Planning</li> </ul>	<ul style="list-style-type: none"> <li>• 04/07/2024 - 15/07/2024</li> <li>• 01/07/2024 – 29/07/2024</li> <li>• 26/07/2024</li> </ul>	
	<b>MPAC</b>			
	<ul style="list-style-type: none"> <li>• MPAC Framework and Process Plan.</li> <li>• Consideration of SDBIP for fourth quarter.</li> <li>• Report on SCM- disciplinary matters related to MFMA</li> <li>• Monthly budget statements.</li> <li>• MPAC and Audit Committee Quarterly meeting/ report on functioning of AC</li> <li>• District MPAC technical forum.</li> <li>• Project visit</li> <li>• Provincial MPAC forum</li> <li>• District broader forum</li> <li>• MPAC Provincial Exco</li> <li>• Final Work Programme</li> </ul>	Office of Municipal Manager <ul style="list-style-type: none"> <li>• MPAC Researcher</li> </ul>	<ul style="list-style-type: none"> <li>• 08/07/2024</li> <li>• 11-29/07/2024</li> </ul>	



Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	presented to Council. • Irregular, Fruitless. Unauthorized and Wasteful Expenditure.			
<b>Risk Management</b>				
	• Risk Management Committee (2023/24 Fourth Quarter Risk Management Report)	Office of Municipal Manager • Manager Risk Management	• 15/07/2024	
<b>IDP</b>				
<b>August 2024</b>	<b>Analysis Phase</b>  • Data collection (ward-based planning) • Data analysis and interpretation • Community Satisfaction Survey	Planning and Development • Senior Manager Planning and Development • Manager Strategic Planning	• 01/08/2024 – 31/09/2024  • 01/08/2024 – 31/09/2024 • 01/08/2024 – 31/09/2024	
<b>Budget and mSCOA</b>				
	• 2024/25 internal analysis of financial and non-financial performance. Determine financial position and assess financial capacity against future strategies. • mSCOA Operational Meeting • mSCOA Steering Meeting	Budget and Treasury • CFO • Manager Budget	• 30/08/2024   • 08/08/2024 • 12/08/2024	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	PMS			
	<ul style="list-style-type: none"> <li>2023/24 IDP implementation feedback: Fourth Quarter Mayoral Imbizo</li> <li>Make public the 2024/25 SDBIP</li> <li>Make public 2024/25 annual performance agreements and ensure that copies are submitted to Council and MEC:CoGHSTA</li> <li>Place 2024/25 annual performance agreements on the municipal website.</li> <li>Individual performance assessments 2023/24 Annual</li> </ul>	Planning and Development <ul style="list-style-type: none"> <li>Senior Manager Planning and Development</li> <li>Manager Strategic Planning</li> </ul> Office of Municipal Manager (Mayoral Imbizo) <ul style="list-style-type: none"> <li>Manager in the office of the Municipal Manager</li> <li>Senior Public Participation Officer</li> </ul>	<ul style="list-style-type: none"> <li>01/08/2024 – 31/08/2024</li> <li>12/08/2024</li> <li>16/08/2024</li> <li>14/08/2024</li> <li>02/08/2024 – 31/08/2024</li> </ul>	
	MPAC			
	<ul style="list-style-type: none"> <li>MPAC Provincial Forum</li> <li>MPAC/Audit Committee meeting</li> <li>Working Session on the UIFWE reports</li> </ul>	Office of Municipal Manager <ul style="list-style-type: none"> <li>MPAC Researcher</li> </ul>	<ul style="list-style-type: none"> <li>2-19/08/2024</li> </ul>	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> <li>Monthly budget statements</li> <li>Annual performance plan prepared</li> <li>Performance agreements signed by MM &amp; section 56 officials.</li> <li>Annual financial statements to be submitted to AG</li> <li>Declaration forms completed and updated by Cllrs and Staff.</li> <li>Probing 4<sup>th</sup> quarter performance report.</li> <li>Public hearing on the fourth quarter performance report.</li> </ul>			
<b>IDP</b>				
<b>September 2024</b>	<b>Analysis Phase</b> <ul style="list-style-type: none"> <li>Data collection (ward-based planning)</li> <li>Data analysis and interpretation</li> <li>Community Satisfaction Survey</li> </ul>	Planning and Development <ul style="list-style-type: none"> <li>Senior Manager Planning and Development</li> <li>Manager Strategic Planning</li> </ul>	<ul style="list-style-type: none"> <li>01/08/2024 – 31/09/2024</li> <li>01/08/2024 – 30/09/2024</li> <li>01/08/2024 – 30/09/2024</li> </ul>	
	<ul style="list-style-type: none"> <li>IDP, Budget &amp; PMS Operational Meeting (Analysis Phase)</li> <li>IDP, Budget &amp; PMS Technical Meeting (Analysis</li> </ul>		<ul style="list-style-type: none"> <li>20/09/2024</li> <li>23/09/2024</li> </ul>	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	Phase) <ul style="list-style-type: none"> <li>IDP, Budget &amp; PMS Steering Meeting (Analysis Phase)</li> <li>IDP, Budget &amp; PMS Rep Forum (Analysis Phase)</li> </ul>		<ul style="list-style-type: none"> <li>23/09/2024</li> <li>26/09/2024</li> </ul>	
	<b>Budget and mSCOA</b>			
	<ul style="list-style-type: none"> <li>Circulate budget schedules to all departments</li> <li>Consolidate draft core departments business plans &amp; budgets</li> <li>Review resources frames and financial strategies</li> <li>mSCOA Operational Meeting</li> <li>mSCOA Steering Meeting</li> </ul>	Budget and Treasury <ul style="list-style-type: none"> <li>CFO Manager Budget</li> </ul>	<ul style="list-style-type: none"> <li>26/09/2024 – 11/10/2024</li> <li>09/09/2024 – 16/09/2024</li> <li>23/09/2024– 01/11/2024</li> <li>10/09/2024</li> <li>12/09/2024</li> </ul>	
	<b>PMS</b>			
	<ul style="list-style-type: none"> <li>Individual performance assessment report 2023/24 Annual</li> <li>Submission of Final 2023/24 departmental annual reports</li> </ul>	Planning and Development <ul style="list-style-type: none"> <li>Senior Manager Planning and Development</li> <li>Manager Strategic Planning</li> </ul>	<ul style="list-style-type: none"> <li>09/09/2024</li> <li>09/09/2024</li> </ul>	
	<b>MPAC</b>			
		Office of Municipal		

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> <li>4<sup>th</sup> Quarter Individual Performance Assessment Report</li> <li>Monthly budget statements</li> <li>Scrutinize UIF.</li> <li>District Wide Session</li> <li>MPAC /Audit Committee</li> </ul>	Manager <ul style="list-style-type: none"> <li>MPAC Researcher</li> </ul>	<ul style="list-style-type: none"> <li>02/09/2024</li> <li>12/09/2024</li> <li>16-17/09/2024</li> <li>23/9/2024</li> </ul>	
<b>IDP</b>				
<b>October 2024</b>	<b>Analysis Phase</b> <ul style="list-style-type: none"> <li>Community Satisfaction Survey presentation</li> </ul>	Planning and Development <ul style="list-style-type: none"> <li>Senior Manager Planning and Development</li> <li>Manager Strategic Planning</li> </ul>	<ul style="list-style-type: none"> <li>10/10/2024</li> </ul>	
<b>Budget and mSCOA</b>				
	<ul style="list-style-type: none"> <li>Commence preparation for the 2024/25 departmental operational plans and service delivery and budget implementation plan aligned to strategic priorities in IDP and inputs from other stakeholders including government and bulk service</li> </ul>	Budget and Treasury <ul style="list-style-type: none"> <li>CFO</li> <li>Manager Budget</li> <li>Manager Revenue</li> </ul>	<ul style="list-style-type: none"> <li>14-17/10/2024</li> </ul>	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	providers (and NERSA) <ul style="list-style-type: none"> <li>mSCOA Operational Meeting</li> <li>mSCOA Steering Meeting</li> </ul>		<ul style="list-style-type: none"> <li>08/10/2024</li> <li>10/10/2024</li> </ul>	
	<b>PMS</b>			
	<ul style="list-style-type: none"> <li>Continuation of preparations for 2023/24 annual report utilizing financial and non-financial information first reviewed as part of budget and IDP analysis</li> <li>Compilation of 2024/25 first quarter institutional performance report.</li> </ul>	Planning and Development <ul style="list-style-type: none"> <li>Senior Manager Planning and Development</li> <li>Manager Strategic Planning</li> </ul>	<ul style="list-style-type: none"> <li>10/10/2024 – 28/10/2024</li> <li>10/10/2024 – 28/10/2024</li> </ul>	
	<b>MPAC</b>			
	<ul style="list-style-type: none"> <li>District MPAC Technical meeting</li> <li>MPAC Provincial technical forum</li> <li>District MPAC Chairpersons forum</li> <li>MPAC Strategic Planning Session</li> <li>MPAC Provincial Exco</li> <li>Consolidated AFS submitted to AG</li> <li>SDBIP for first quarter consideration</li> <li>Project Visit</li> <li>MPAC Provincial forum</li> </ul>	Office of Municipal Manager <ul style="list-style-type: none"> <li>MPAC Researcher</li> </ul>	<ul style="list-style-type: none"> <li>02/10/2024</li> <li>11/10/2024</li> <li>14/10/2024</li> <li>15/10/2024</li> <li>16-18 /10/2024</li> <li>21/10/2024</li> <li>22/10/2024</li> <li>25/10/2024</li> <li>28/10/2024</li> </ul>	

ANNUAL BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> <li>Report on SCM/disciplinary matters related to MFMA</li> <li>Monthly budget statements</li> </ul>			
<b>Risk Management</b>				
	<ul style="list-style-type: none"> <li>Risk Management Committee (2024/25 First Quarter Risk Management Report)</li> </ul>	Office of Municipal Manager Risk Management	<ul style="list-style-type: none"> <li>14/10/2024</li> </ul>	
<b>Budget and Mscoa</b>				
<b>November 2024</b>	<ul style="list-style-type: none"> <li>Community and stakeholder consultation process, review inputs, financial models, assess impacts on tariffs and charges and consider funding decisions including borrowing. Adjust estimates based on plans and resources. Commence consultation on the proposed tariffs. Check the tariff submission date and align.</li> <li>Draft five-year Financial Plan</li> <li>mSCOA Operational Meeting</li> <li>mSCOA Steering Meeting</li> </ul>	Budget and Treasury <ul style="list-style-type: none"> <li>CFO</li> <li>Manager Budget</li> <li>Manager Revenue</li> </ul>	<ul style="list-style-type: none"> <li>06/11/2024 –</li> <li>29/11/2024</li> <li>04/11/2024 –</li> <li>29/11/2024</li> <li>12/11/2024</li> <li>14/11/2024</li> </ul>	
<b>PMS</b>				

ANNUAL BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> <li>Mayoral Imbizo on first quarter performance</li> </ul>	Office of Municipal Manager <ul style="list-style-type: none"> <li>Manager in the office of the Municipal Manager</li> </ul>	<ul style="list-style-type: none"> <li>07/11/2024 – 25/11/2024</li> </ul>	
	<b>MPAC</b>			
	<ul style="list-style-type: none"> <li>MPAC Project Visit</li> <li>MPAC Working Session 4<sup>th</sup> quarter report.</li> <li>Probe 1<sup>st</sup> Quarter Performance report.</li> <li>Monthly budget statements</li> <li>Technical Committee meeting</li> <li>Public hearing on the 1<sup>st</sup> Quarter performance report.</li> </ul>	Office of Municipal Manager <ul style="list-style-type: none"> <li>MPAC Researcher</li> </ul>	<ul style="list-style-type: none"> <li>4/11/2024</li> <li>10-11/11/2024</li> <li>18/11/2024</li> <li>21/11/2024</li> </ul>	
	<b>IDP</b>			
<b>December 2024</b>	<b>Strategies Phase</b> <ul style="list-style-type: none"> <li>Strategic Session</li> </ul>	Planning and Development <ul style="list-style-type: none"> <li>Senior Manager Planning and Development</li> <li>Manager Strategic Planning</li> </ul>	<ul style="list-style-type: none"> <li>02/12/2024 – 06/12/2024</li> </ul>	
	<b>PMS</b>			
	<ul style="list-style-type: none"> <li>Finalize the draft annual</li> </ul>	Planning and	<ul style="list-style-type: none"> <li>16/12/2024</li> </ul>	



Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	report incorporating financial and non financial information on performance, audit reports and annual financial statements	Development <ul style="list-style-type: none"> <li>• Senior Manager Planning and Development</li> <li>• Manager Strategic Planning</li> </ul>		
	<b>MPAC</b>			
	<ul style="list-style-type: none"> <li>• Develop schedule for considering the 2023/24 Annual Report</li> </ul>	Office of Municipal Manager <ul style="list-style-type: none"> <li>• MPAC Researcher</li> </ul>	<ul style="list-style-type: none"> <li>• 15 /12/2024</li> </ul>	
	<b>Budget and mSCOA</b>			
	<ul style="list-style-type: none"> <li>• Finalise the 2025/26 inputs from bulk resource providers (and NERSA) and agree on proposed price increase. (Align after submission of proposed tariffs</li> </ul>	Budget and Treasury <ul style="list-style-type: none"> <li>• CFO</li> <li>• Manager Budget</li> <li>• Manager Revenue</li> </ul>	<ul style="list-style-type: none"> <li>• 09/12/2024 – 13/12/2024</li> </ul>	
	<b>Budget and mSCOA</b>			
<b>January 2025</b>	<ul style="list-style-type: none"> <li>• Mid-year Budget engagement session (Provincial Treasury)</li> <li>• Mid-Year Performance</li> </ul>	Budget and Treasury <ul style="list-style-type: none"> <li>• CFO</li> <li>• Manager Budget</li> </ul>	<ul style="list-style-type: none"> <li>• 24/01/2025</li> <li>• 27/01/2025</li> </ul>	

ANNUAL BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<p>Assessment and recommend and adjustment budget, if necessary.</p> <ul style="list-style-type: none"> <li>Incorporate priorities from the President's State of the Nation Address, National Treasury and SALGA for further budget consideration.</li> <li>Review all aspects of the 2023/24 budget including any unforeseen and unavoidable expenditure in light of need for an adjustment budget.</li> <li>mSCOA Operational Meeting</li> <li>mSCOA Steering Meeting</li> </ul>		<ul style="list-style-type: none"> <li>23-31/01/2025</li> <li>10/01/2025 – 24/01/2025</li> <li>14/01/2025</li> <li>16/01/2025</li> </ul>	
		<b>PMS</b>		
	<ul style="list-style-type: none"> <li>Compilation of 2024/25 Mid-year report</li> <li>Mayor tables 2023/24 annual report to council</li> <li>Make public the 2023/24 annual report and invite comments from local community, submit report to Auditor-General, Provincial Treasury &amp; CoGHSTA</li> </ul>	<p>Planning and Development</p> <ul style="list-style-type: none"> <li>Senior Manager Planning and Development</li> <li>Manager Strategic Planning</li> </ul>	<ul style="list-style-type: none"> <li>03/01/2025 – 20/01/2025</li> <li>30/01/2025</li> <li>30/01/2025</li> </ul>	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> <li>Consider monthly &amp; mid-year reports for the period ended 31 December 2024.</li> <li>Review implementation of budget and service delivery plan (SDBIP), identify problems and amend or recommend appropriate amendments. Submit report to council and make public any amendments to the SDBIP by the end of January 2025 to Council the status of next three year budget, 2023/24 annual report (including AFS &amp; audit report) and summarizes overall findings of 2023/24 annual performance report.</li> </ul>		<ul style="list-style-type: none"> <li>30/01/2025</li> <li>24/01/2025</li> <li>24/01/2025</li> </ul>	
	<b>MPAC</b>			
	<ul style="list-style-type: none"> <li>MPAC and Audit committee</li> <li>MPAC District Technical</li> <li>Mid-year report and budget of council</li> <li>AFS returned from A-G Matters raised by A-G.</li> <li>Report on disciplinary</li> </ul>	Office of Municipal Manager <ul style="list-style-type: none"> <li>MPAC Researcher</li> </ul>	<ul style="list-style-type: none"> <li>06/01/2025</li> <li>9/01/2025</li> <li>13-16 /01/2025</li> <li>17/01/2025</li> <li>21/01/2025</li> </ul>	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	matters related to MFMA/Report on SCM <ul style="list-style-type: none"> <li>• Monthly budget statements</li> <li>• Report in functioning of AC.</li> <li>• District MPAC Chairperson meeting</li> <li>• District MPAC Forum</li> </ul>			
<b>Risk Management</b>				
	<ul style="list-style-type: none"> <li>• Risk Management Committee (2024/25 Second Quarter Risk Management Report)</li> </ul>	Office of Municipal Manager Manager Risk Management	<ul style="list-style-type: none"> <li>• 16/01/2014</li> </ul>	
<b>IDP</b>				
<b>February 2025</b>	<b>Strategies, Projects, Integration Phase</b> <ul style="list-style-type: none"> <li>• IDP, Budget &amp; PMS Operational meeting (Strategies, Projects prioritisation and Sector plans)</li> <li>• IDP, Budget &amp; PMS Technical meeting (Strategies, Projects prioritisation and Sector plans)</li> <li>• IDP, Budget &amp; PMS Steering meeting (Strategies, Projects prioritisation and Sector</li> </ul>	Planning and Development <ul style="list-style-type: none"> <li>• Senior Manager Planning and Development</li> <li>• Manager Strategic Planning</li> </ul>	<ul style="list-style-type: none"> <li>• 03/02/2025</li> <li>• 06/02/2025</li> <li>• 07/02/2025</li> <li>• 13/02/2025</li> </ul>	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	plans) • IDP, Budget & PMS Representative Forum (strategies, Projects prioritisation and Sector plans).			
	<b>Budget and mSCOA</b>			
	<ul style="list-style-type: none"> <li>• Incorporate directives from the National budget and Provincial and National allocations to municipalities into budget.</li> <li>• Finalise the adjustment 2024/25 detailed operating &amp; capital budgets in the prescribed formats incorporating National and Provincial budget allocations, integrate and align to IDP documentation and draft SDBIP, finalise budget policies including tariff policy.</li> <li>• Tabling and approval of an adjustments budget (if necessary)</li> <li>• Submit the 2024/25 approved adjustments budget to the Provincial &amp; National Treasury &amp; any</li> </ul>	Budget and Treasury <ul style="list-style-type: none"> <li>• CFO</li> <li>• Manager Budget</li> </ul>	<ul style="list-style-type: none"> <li>• 07/02/2025 – 27/02/2025</li> <li>• 21/02/2025</li> <li>• 21/02/2025</li> <li>• 27/02/2025</li> <li>• 28/02/2025</li> </ul>	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	other affected organ of state (10 days after approval.) <ul style="list-style-type: none"> <li>MSCOA Operational meeting</li> <li>MSCOA Steering meeting</li> </ul>		<ul style="list-style-type: none"> <li>11/02/2025</li> <li>13/02/2025</li> </ul>	
	<b>PMS</b>			
	<ul style="list-style-type: none"> <li>Individual Performance Assessments 2024/25 Mid-year</li> <li>Place 2023/24 annual report on the municipal website</li> <li>Mayoral Imbizo</li> </ul>	Planning and Development <ul style="list-style-type: none"> <li>Senior Manager Planning and Development</li> <li>Manager Strategic Planning</li> </ul> Office of Municipal Manager (Mayoral Imbizo) <ul style="list-style-type: none"> <li>Manager in the office of the Municipal Manager</li> </ul>	<ul style="list-style-type: none"> <li>01/02/2025 - 20/02/2025</li> <li>03/02/2025</li> <li>03/02/2025 – 10/02/2025</li> </ul>	
	<b>MPAC</b>			
	<ul style="list-style-type: none"> <li>Considering the 2023/24 annual report</li> <li>MPAC Working Session on the draft annual report</li> <li>MPAC public hearing preparation</li> </ul>	Office of Municipal Manager <ul style="list-style-type: none"> <li>MPAC Researcher</li> </ul>	<ul style="list-style-type: none"> <li>3/02/2025</li> <li>10-14/02/2025</li> <li>3/02/2025</li> </ul>	

ANNUAL BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> <li>Review questions form the Executives</li> <li>MPAC Project visit</li> <li>District MPAC Forum</li> </ul>		<ul style="list-style-type: none"> <li>3/03/2025</li> <li>20/03/2025</li> </ul>	
IDP				
March 2025	<b>Approval Phase (Draft IDP)</b> <ul style="list-style-type: none"> <li>IDP, Budget &amp; PMS operational meeting (Draft 2025/26 IDP, Budget &amp; PMS)</li> <li>IDP, Budget &amp; PMS Technical meeting (Draft 2025/26 IDP, Budget &amp; PMS)</li> <li>IDP, Budget &amp; PMS Steering meeting (Draft 2025/26 IDP, Budget &amp; PMS)</li> <li>IDP, Budget &amp; PMS Representative Forum (Draft 2025/26 IDP, Budget &amp; PMS)</li> <li>Mayor table Draft IDP, Budget &amp; PMS for adoption</li> </ul>	Planning and Development <ul style="list-style-type: none"> <li>Senior Manager Planning and Development</li> <li>Manager Strategic Planning</li> </ul>	<ul style="list-style-type: none"> <li>03/03/2025</li> <li>06/03/2025</li> <li>10/03/2025</li> <li>17/03/2025</li> <li>27/03/2025</li> </ul>	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	by Council. • Publication of the IDP, Budget & PMS Public Participation schedule		• 27/03/2025	
	<b>Budget and mSCOA</b>			
	• Consolidation of Draft 2025/26 annual budget. • Incorporate changes in prices for bulk resources and finalise tariff proposals for all charges. • Distribute all budget documentation prior to meeting at which budget is to be tabled. • Table in Council the 2025/26 tabled budget & all supporting documents. • Submit the 2025/26 approved adjustments budget to the Provincial & National Treasury & any other affected organ of state (Immediately after council approves) • mSCOA Operational Meeting • mSCOA Steering Meeting	Budget and Treasury • CFO • Manager Budget	• 04/03/2025 – 08/03/2025 • 13/03/2025 • 20/03/2025 – 25/03/2025 • 27/03/2025 • 27/03/2025 • 11/03/2025 • 13/03/2024	
	<b>PMS</b>			

ANNUAL BUDGET 2025/26



Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> <li>Compile Individual performance assessment report (2024/25 Mid -Year Quarter)</li> <li>Council adopts the 2023/24 annual report with the comments of the oversight committee.</li> <li>Submit draft 2025/26 SDBIP to the Mayor</li> <li>Submit draft 2025/26 annual performance agreements to the Mayor</li> </ul>	Planning and Development <ul style="list-style-type: none"> <li>Senior Manager Planning and Development</li> <li>Manager Strategic Planning</li> </ul>	<ul style="list-style-type: none"> <li>15/03/2025</li> <li>27/03/2025</li> <li>27/03/2025</li> <li>27/03/2025</li> </ul>	
	<b>MPAC</b>			
	<ul style="list-style-type: none"> <li>Public hearing on the 2023/24 Annual Report</li> <li>Oversight report preparation</li> <li>Monthly budget statements</li> <li>Submit Oversight Report and Annual Report to Council</li> <li>Review all matters referred to the committee by council</li> </ul>	Office of Municipal Manager <ul style="list-style-type: none"> <li>MPAC Researcher</li> </ul>	<ul style="list-style-type: none"> <li>18/03/2025</li> <li>26/03/2025</li> <li>26/03/2025</li> </ul>	
	<b>IDP</b>			
<b>April 2025</b>	<b>Approval Phase (Draft IDP cont)</b> <ul style="list-style-type: none"> <li>Consultations on tabled Draft 2025/26 IDP, Budget &amp; PMS</li> </ul>	Planning and Development <ul style="list-style-type: none"> <li>Senior Manager Planning and Development</li> </ul>	<ul style="list-style-type: none"> <li>03/04/2025–29/04/2025</li> </ul>	

ANNUAL BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
		Manager Strategic Planning Office of Municipal Manager <ul style="list-style-type: none"> <li>• Manager in the office of the Municipal Manager</li> <li>• Senior Officer Public Participation</li> </ul>		
<b>Risk Management</b>				
	<ul style="list-style-type: none"> <li>• Strategic Risk Assessment – Develop 2025/26 Strategic Register</li> </ul>	Office of Municipal Manager <ul style="list-style-type: none"> <li>• Manager Risk Management</li> </ul>	<ul style="list-style-type: none"> <li>• 07/04/2025</li> </ul>	
	<ul style="list-style-type: none"> <li>• Risk Management Committee (2024/25 Third Quarter Risk Management Report and the Draft Strategic Risk Register)</li> <li>• Council adopts the Strategic Risk Register</li> </ul>	Office of Municipal Manager Manager Risk Management	<ul style="list-style-type: none"> <li>• 18/04/2025</li> </ul>	
<b>Budget and mSCOA</b>				
	<ul style="list-style-type: none"> <li>• Make public the 2025/26 tabled annual budget &amp;</li> </ul>	Budget and Treasury <ul style="list-style-type: none"> <li>• CFO</li> </ul>	<ul style="list-style-type: none"> <li>• 03/04/2025 – 24/04/2025</li> </ul>	

ANNUAL BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	accompanying budget documentation, invite the community to submit representations and submit to Provincial & National Treasury and other affected organs of state. <ul style="list-style-type: none"> <li>• Consultation on tabled budget, publicise and conduct public hearings and meetings within wards.</li> <li>• mSCOA Operational Meeting</li> <li>• mSCOA Steering Committee Meeting</li> </ul>	<ul style="list-style-type: none"> <li>• Manager Budget</li> </ul>	<ul style="list-style-type: none"> <li>• 04/04/2025 – 11/04/2025</li> <li>• 11/04/2025</li> <li>• 12/04/2025</li> </ul>	
	<b>PMS</b>			
	<ul style="list-style-type: none"> <li>• Submit the 2023/24 Annual Report &amp; Oversight Report to Provincial Treasury, CoGHSTA, AG and Legislature.</li> <li>• Make public the 2023/24 oversight report</li> <li>• Submission of third quarter departmental performance report</li> </ul>	Planning and Development <ul style="list-style-type: none"> <li>• Senior Manager Planning and Development</li> <li>• Manager Strategic Planning</li> </ul>	<ul style="list-style-type: none"> <li>• 07/04/2025</li> <li>• 11/04/2025</li> <li>• 11/04/2025</li> </ul>	
	<b>MPAC</b>			

ANNUAL BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> <li>• Oversight report made public</li> <li>• Consider the 2024/25 Draft SDBIP for third quarter</li> <li>• Report on SCM</li> <li>• Report on disciplinary matters related to MFMA</li> <li>• Monthly budget statements</li> <li>• MPAC and Audit committee Quarterly meeting</li> </ul>	Office of Municipal Manager <ul style="list-style-type: none"> <li>• MPAC Researcher</li> </ul>	<ul style="list-style-type: none"> <li>• 07/04/2025</li> <li>• 23/04/2025</li> </ul>	
<b>IDP</b>				
<b>May 2025</b>	<b>Approval Phase (Final IDP)</b> <ul style="list-style-type: none"> <li>• IDP, Budget &amp; PMS Operational Teams (Analysis &amp; integration of public comments)</li> <li>• IDP, Budget &amp; PMS Technical meeting (Analysis &amp; integration of public comments)</li> <li>• IDP, Budget &amp; PMS Steering meeting (analysis &amp; integration of public comments)</li> <li>• IDP, Budget &amp; PMS Representative meeting (analysis &amp; integration of public comments)</li> <li>• Mayor tables Final 2025/26</li> </ul>	Planning and Development <ul style="list-style-type: none"> <li>• Senior Manager Planning and Development Manager Strategic Planning</li> </ul>	<ul style="list-style-type: none"> <li>• 05/05/2025 (14h00)</li> <li>• 07/05/2025 (14h00)</li> <li>• 12/05/2025</li> <li>• 15/05/2025</li> <li>• 29/05/2025</li> </ul>	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	IDP, Budget & PMS for final approval/adoption			
	<b>Budget and mSCOA</b>			
	<ul style="list-style-type: none"> <li>Draft Benchmark exercise 2025/26</li> <li>Consider the views of the community and other stakeholders on the 2025/26 budget.</li> <li>Respond to submissions received &amp; if necessary revise the budget and table amendments for council consideration.</li> <li>mSCOA Steering Meeting</li> <li>mSCOA Operational Meeting</li> </ul>	Budget and Treasury <ul style="list-style-type: none"> <li>CFO</li> <li>Manager Budget</li> </ul>	<ul style="list-style-type: none"> <li>12-16/05/2025</li> <li>13/05/2025–16/05/2025</li> <li>13/05/2025 – 16/05/2025</li> <li>08/05/2025</li> <li>13/05/2025</li> </ul>	
	<b>MPAC</b>			
	<ul style="list-style-type: none"> <li>MPAC Technical committee meeting.</li> <li>MPAC District forum meeting</li> <li>Consider the Draft IDP, Budget and PMS</li> <li>Consider third Quarter report</li> <li>Monthly budget statements</li> <li>Probing and public hearing on third Quarter Institutional</li> </ul>	Office of Municipal Manager <ul style="list-style-type: none"> <li>MPAC Researcher</li> <li></li> </ul>	<ul style="list-style-type: none"> <li>25/05/2025</li> </ul>	

ANNUAL BUDGET 2025/26

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality
	Performance Report.			
	<b>IDP</b>			
<b>June 2025</b>	<ul style="list-style-type: none"> <li>Public Notice on the adoption of IDP, Budget &amp; PMS</li> <li>Submission of the Final Approved IDP to the MEC for Local Government &amp; Housing</li> </ul>	Planning and Development <ul style="list-style-type: none"> <li>Senior Manager Planning and Development</li> <li>Manager Strategic Planning</li> </ul>	<ul style="list-style-type: none"> <li>08/06/2025</li> <li>13/06/2025</li> </ul>	
	<b>Budget</b>			
	<ul style="list-style-type: none"> <li>Submit approved IDP/Budget to National &amp; Provincial Treasury, CoGHSTA and District (10 working days after approval)</li> <li>mSCOA Operational Meeting</li> <li>mSCOA Steering Meeting</li> </ul>	Budget and Treasury <ul style="list-style-type: none"> <li>CFO Manager Budget</li> </ul>	<ul style="list-style-type: none"> <li>14/06/2025</li> <li>10/06/2025</li> <li>13/06/2025</li> </ul>	
	<b>MPAC</b>			
	<ul style="list-style-type: none"> <li>Monthly budget statements</li> <li>Consider the alignment of final IDP, Budget, PMS and MPAC Work Programme</li> <li>Tracking implementation of the resolutions of the council as a result of the recommendations of MPAC</li> </ul>	Office of Municipal Manager <ul style="list-style-type: none"> <li>MPAC Researcher</li> </ul>	<ul style="list-style-type: none"> <li>10/6/2025</li> <li>17-24/06/2025</li> </ul>	

Month	Activity	Responsible Department	Time-frame	
			Ba-Phalaborwa Municipality	Mopani District Municipality

## 6. OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

### 6.1 VISION OF THE MUNICIPALITY

The vision was therefore revised as follows:

*“Provision Of Quality Services for Community Well-Being and Tourism Development”*

### 6.2 FIVE YEAR STRATEGIC FOCUS AREA

**Good governance and institutional excellence:** The learning and growth perspective entails skills development and capacitating of employees. Employees are the foundation of the municipality; if employees are skilled and capacitated, they will improve the ways they work and both service delivery and individual performance will improve. This perspective will also include leadership, financial and management training. This objective will address NSDP priority area “Effective administration and governance structure.”

**Provide, maintain and upgrade municipal assets and services:** The core function of the municipality is to provide access to services. Ba-Phalaborwa experiences the following challenges as mentioned under the binding constraints in the strategic alignment and which is directly linked to the NSDP and PGDS: Infrastructure development, poor maintenance plans and infrastructure development plans. If these are not addressed, the municipality will not be able to provide sustainable services to the community and investment and economic growth in the municipal area will be challenged. The infrastructure

master plan such as Electricity, roads and water master plans to be developed as a matter of urgency to unlock gaps of the challenges of the infrastructure.

**Environmental sustainability:** PGDS strategic objective deals with environmental sustainability and climate change. A priority mentioned in the PGDS is that all municipalities have to have environmental management plans. Also mentioned are waste management plans, recycling of waste and water and alternative energy plan. Ba-Phalaborwa plays a leading role in the achievement of this objective as mentioned under NSDP and PGDS priorities.

**Develop effective and sustainable stakeholder relationships and partnerships:** With the small revenue base it is crucial that partnerships be formed, and stakeholder relationships built to ensure cooperation and development of Ba-Phalaborwa and its community. Ba-Phalaborwa has established strategic relationships with the mines, Phalaborwa Foundation and DBSA. Stakeholder management, however, is not structured.

**Facilitate local economic growth and provide for mobility and access:** The best way to alleviate poverty, curb unemployment and address social problems is to ensure that there are enough jobs so that everybody in the community can earn a living. Ba-Phalaborwa has various projects and initiatives to alleviate poverty and stimulate economic growth. Ba-Phalaborwa's location has established it as developmental and economic nodes in tourism, mining, agriculture and a service node.

**Become financially viable:** To be sustainable, it is necessary for the municipality to increase its revenue base through expanding its collection points, partnership and investment in the area. Again, investment will only be achieved if the necessary infrastructure is provided and therefore maintenance, upgrading and replacement of infrastructure is of utmost importance for the municipality.

**Ensure community well-being;** Community well-being does not only have to do with provision of services, but also deals with priorities such as HIV/Aids, education, health, safety and security and literacy. Ba-Phalaborwa strives, together with its stakeholders and partnerships to achieve on all these priorities to ensure healthy and sustained community.



### 6.3 ALIGNMENT OF IDP WITH NATIONAL AND PROVINCIAL GOVERNMENT

Cluster	PERSPECTIVE	MTSF	COGTA	LEGDP (PGDS)	OUTCOME 9	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	Back-to-Basics	BA-PHALABORWA
Economic	Financial	1. Speed up economic growth and transform the economy to create decent work and sustainable livelihoods.		1. Ensuring more inclusive economic growth, decent work and sustainable livelihoods	3. Implement the community work programme and cooperatives supported	Local Economic Development	An economy that will create more jobs  An inclusive and integrated rural economy		Growing economic environment
Social Infrastructure	Community Satisfaction	5. Improve the health profile of society	5. Fostering Development Partnerships, Social Cohesion and community mobilisation	4. Access to quality education		Basic Service Delivery	Improving the quality of education, training and innovation	Basic Services: Creating decent living conditions	Good corporate governance and public participation
Social Infrastructure	Community Satisfaction			5. Improved health care		Basic Service Delivery	Quality health care for all	Basic Services: Creating decent living conditions	Protected environment and enhanced community well-being

Cluster	PERSPECTIVE	MTSF	COGTA	LEGDP (PGDS)	OUTCOME 9	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	Back-to-Basics	BA-PHALABORWA
Social Infrastructure	Institutional	6. Intensify the fight against crime and corruption		6. Fighting crime and corruption		Good Governance and Public Participation	Fighting corruption	Good governance	Good corporate governance and public participation
Social Infrastructure	Community Satisfaction	7. Building of cohesive, caring and sustainable communities		8. Cohesive and sustained communities		Basic Service Delivery	An inclusive and integrated rural economy Transforming society and uniting the country	Basic Services: Creating decent living conditions	Protected environment and enhanced community well-being
Social Infrastructure	Community Satisfaction		3. Accelerating service delivery and supporting the vulnerable	3. Rural development, food security and land reform		Basic Service Delivery	An inclusive and integrated rural economy	Basic Services: Creating decent living conditions	Sustainable integrated infrastructure and services
Technical Infrastructure	Institutional Processes		3. Accelerating service delivery and supporting the vulnerable		2. Improved access to basic services	Basic Service Delivery	Improving infrastructure	Basic Services: Creating decent living conditions	Sustainable integrated infrastructure and services
Technical Infrastructure	Institutional Processes	2. Massive programmes to build economic and social infrastructure			1. Implement a differentiated approach to municipal financing,	Basic Service Delivery	Reforming public service Improving infrastructure	Sound financial management Building capable institutions and	Sustainable integrated infrastructure and services

Cluster	PERSPECTIVE	MTSF	COGTA	LEGDP (PGDS)	OUTCOME 9	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	Back-to-Basics	BA-PHALABORWA
					planning and support (Outcome 2 and 3)			administrations	
Technical Infrastructure	Institutional Processes		3. Accelerating service delivery and supporting the vulnerable	2. Provision of economic and social infrastructure		Basic Service Delivery	Improving infrastructure	Basic Services: Creating decent living conditions	Sustainable integrated infrastructure and services
Technical Infrastructure	Institutional Processes	3. Comprehensive rural development strategy linked to land and agrarian reform and food security				Basic Service Delivery	Improving infrastructure  An inclusive and integrated rural economy	Basic Services: Creating decent living conditions	Sustainable integrated infrastructure and services
Technical Infrastructure	Institutional Processes	9. Sustainable resource management and use		9. Sustainable resource management and use		Basic Service Delivery	Transition to a low-carbon economy	Basic Services: Creating decent living conditions	Protected environment and enhanced community well-being
Governance and Administration	Institutional Processes				6: Improved municipal financial and administrative capacity	Municipal Financial Viability and Management	Reforming the public service	Sound financial management  Building capable institutions and administrations	Improved financial viability

Cluster	PERSPECTIVE	MTSF	COGTA	LEGDP (PGDS)	OUTCOME 9	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	Back-to-Basics	BA-PHALABORWA
Governance and Administration	Institutional Processes		4. Improving the Developmental Capability of the Institution of Traditional Leadership.		5. Deepened democracy through a refined ward committee model	Good Governance and Public Participation	Reforming the public service	Public participation: Putting people first	Good corporate governance and public participation
Governance and Administration	Institutional Processes	3. Comprehensive rural development strategy linked to land and agrarian reform and food security		3. Rural development, food security and land reform	4. Actions supportive of human settlement outcomes	Municipal Transformation and Organisational Development	Reversing the spatial effect of apartheid	Basic Services: Creating decent living conditions	Sustainable integrated infrastructure and services
Governance and Administration	Institutional Processes	10. Building of a developmental state including improving of public services and strengthening democratic institutions	1. Building the Developmental State in Provincial and Local Government that is efficient, effective and responsive	10. A developmental state including improvement of public services	7. Single Window of coordination	Good Governance and Public Participation	Reforming the public service	Building capable institutions and administrations	Sustainable integrated infrastructure and services

Cluster	PERSPECTIVE	MTSF	COGTA	LEGDP (PGDS)	OUTCOME 9	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	Back-to-Basics	BA-PHALABORWA
Governance and Administration	Institutional Processes		2. Strengthen Accountability and Clean Government	9. Sustainable resource management and use	6. Improved administrative capacity	Good Governance and Public Participation	Reforming the public service	Good governance	Skilled, competent and innovative workforce
Governance and Administration	Institutional Processes	6. Intensify the fight against crime and corruption		6. Fighting crime and corruption		Good Governance and Public Participation	Fighting corruption	Good governance	Good corporate governance and public participation
Governance and Administration	Institutional Processes	8. Pursuing African advancement and enhanced international cooperation		8. Creation of a better Africa and a better world			Reforming the public service	Good governance	Good corporate governance and public participation
Governance and Administration	Learning and Growth	4. Strengthening of skills and human resource base				Municipal Transformation and Organisational Development	Reforming the public service	Building capable institutions and administrations	Skilled, competent and innovative workforce

## 7. MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

### 7.1 Key Financial Indicators and ratios

#### LIM334 Ba-Phalaborwa - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b><u>Borrowing Management</u></b>											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	2.9%	0.5%	2.6%	5.0%	5.0%	5.0%	-0.4%	5.2%	3.2%	2.6%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	3.3%	0.4%	3.8%	5.6%	5.5%	5.5%	-0.3%	5.5%	3.5%	2.8%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Safety of Capital</u></b>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Liquidity</u></b>											
Current Ratio	Current assets/current liabilities	0.8	1.0	0.9	1.2	0.5	0.5	1.0	0.6	1.0	1.0
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.8	1.0	0.9	1.2	0.5	0.5	1.0	0.6	1.0	1.0
Liquidity Ratio	Monetary Assets/Current Liabilities	0.7	0.8	0.8	0.4	0.2	0.2	0.8	0.3	0.6	0.6
<b><u>Revenue Management</u></b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	196.0%	333.6%	159.4%	156.0%	156.0%	513.8%	155.7%	192.6%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	196.0%	333.6%	159.4%	156.0%	156.0%	513.8%	155.7%	192.6%	189.6%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	99.0%	141.4%	111.2%	119.6%	82.3%	82.3%	139.2%	79.8%	83.9%	83.1%
<b><u>Creditors Management</u></b>											
Creditors to Cash and Investments		-4125.6%	159.5%	119.1%	-249.7%	-263.5%	-263.5%	465.6%	6595.6%	1320.5%	641.7%
Employee costs	Employee costs/(Total Revenue - capital revenue)	29.7%	30.6%	30.2%	28.9%	28.7%	28.7%	20.3%	29.8%	30.7%	31.8%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	29.7%	30.6%	33.3%	31.4%	31.1%	31.1%		32.4%	33.3%	34.5%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	3.0%	4.5%	5.0%	3.6%	4.2%	4.2%		3.5%	3.9%	3.5%

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Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	18.9%	12.1%	11.9%	14.2%	14.1%	14.1%	9.4%	14.4%	14.5%	14.3%
<b>IDP regulation financial viability indicators</b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	(29.8)	(330.7)	27.1	35.9	35.9	35.9	22.5	66.8	136.2	140.8
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	88.9%	228.8%	94.0%	181.6%	58.1%	58.1%	293.7%	54.4%	69.1%	71.6%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	(1.2)	32.4	43.5	(3.4)	(2.8)	(2.8)	17.4	0.1	0.6	1.1

## 7.2 Measurable Performance Objectives and Indicators

Description	Unit of measurement	Current Year 2023/24			2025/26 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Vote 3 – Corporate Services	Office Furniture & Equipment	1 700 000	1 700 000	1 700 000	1 478 261	1 739 130	1 913 043
Vote 4 – Community and Social Services	Development of Phalaborwa new landfill site Phase1	5 000 000	5 000 000	5 000 000	3 478 261	8 695 652	8 695 652
	Procure LDV bakkie for warrant of arrest	600 000	600 000	600 000	0	0	0
	Procure Roadblock trailer fully fitted	425 000	425 000	425 000	0	0	0
	Procure a trailer for refuse collection enhancement	200 000	200 000	200 000	0	0	0
Vote 6 – Technical Services	Upgrading of road from gravel to tar: Tambo phase 2	6 719 463	6 719 463	6 719 463	0	0	0
	Electrification of villages	20 794 000	20 794 000	20 794 000	0	0	0
	Upgrading of Benfarm phase 2	4 037 446	4 037 446	4 037 446	0	0	0
	Refurbishment of Namakgale stadium	R10 837 179	R10 837 179	R10 837 179	0	0	0
	Installation of stormwater culverts at Mashishimale to Lejori, Makhushane, Humulani and Lulekani	1 896 829	1 896 829	1 896 829	0	0	0
	Selwane sports complex	937 661	937 661	937 661	0	0	0
	Upgrading of Honeyville to Dinoko Sebera from gravel to tar	5 937 241	5 937 241	5 937 241	7 826 087	7 943 773	0
	Upgrading of gravel to asphalt from Aubrey carwash via cemetery to Kanana	4 737 594	4 737 594	4 737 594	6 351 587	5 385 328	0
	Installation of stormwater culvert at Tension Pilusa graveyard	6 900 000	6 900 000	6 900 000	0	0	0

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	Installation of high mast lights				1 915 087	8 519 696	0
	Upgrade of gravel to asphalt from Nkateko high school to Pondo combined school				6 956 522	0	0
	Upgrading of Benfarm phase 2				153 543	0	0
	Upgrading of gravel to asphalt street paving from clinic via ZCC ward 2				5 565 217	0	0
	Installation of stormwater culvert at Shitshitwe culvert				3 478 261	7 130 435	0
	Installation of precast storm water culverts at Mlambo stream				0	614 672	6 000 000
	Upgrading a gravel road to asphalt paved road from Maimele street to PMC bus stop & Lulekani graveyard (Matikoxikaya)				0	5 097 175	5 859 347
	Street Paving of Mabine to Sobby street				0	0	16 235 870
	Procurement of Refuse Compactor Trucks						2 608 696
	Procurement of TLB						2 173 913
	Procurement of Grader						3 478 261
	Refurbishment of Namakgale stadium				9 043 478	0	0
	Upgrading of Honeyville to Dinoko Sebera from gravel to tar				3 270 870	3 270 870	0
	Upgrading of gravel to asphalt from Aubrey carwash via cemetery to Kanana				2 653 913	0	0
	Construction of a Trapezoidal concrete lined stormwater channel, in ward 5 Namakgale				1 304 348	1 304 348	1 304 348
<b>TOTAL</b>		<b>59 792 414</b>	<b>59 792 414</b>	<b>59 792 414</b>	<b>53 475 435</b>	<b>49 701 078</b>	<b>48 269 130</b>

**Note:**

The budget figures from 2025/26 - 2027/28 are VAT exclusive.



## **8. OVERVIEW OF BUDGET-RELATED POLICIES**

The following policies has been reviewed and adopted with this budget for implementation as from July 2025

### **Tariff Policy**

- The Tariff Policy was reviewed in line with relevant legislation and adopted with this budget for implementation as from July 2025

### **Property Rates Policy**

- A policy in line with Local Government: Municipal Property Rates Act, Act No. 6 of 2004 was reviewed to take into consideration requirements of Gazette to ensure the implementation of the new property rates act and is adopted with this budget for implementation.

### **Budget Policy**

- A budget policy in line with relevant legislation was reviewed and is adopted with this budget for implementation as from July 2025.

### **Asset Management Policy**

- A policy in line with relevant legislation is reviewed and adopted with this annual budget for implementation as July 2025.

### **Supply chain management policy**

- The supply chain management policy in line with the reviewed PPPFA regulation has been reviewed and is adopted with this budget for implementation as from July 2025.

### **Indigent Household Consumer Policy**

- The Indigent and household Consumer policy in line with relevant legislation was reviewed and is adopted with this budget for implementation as from July 2025. The approved indigent register will be in force as from 1<sup>st</sup> July 2025.

### **Credit Control, Debt Collection and Consumer Care Policy**

- Credit Control and Debt Collection Policy of the municipality was reviewed to take into account relevant legislation and developments in court findings and orders during the year. The policy also covers Consumer Care principles. The policy is adopted with this budget for implementation from July 2025

### **Investment Policy**

- The municipality was reviewing an Investment Policy to ensure proper cash management and investment in line with relevant legislation and the policy and is adopted with this budget for implementation. The policy will be implemented after adopting procedure manuals for implementation from July 2025.

### **Virement Policy**

- Virement policy was reviewed by the municipality in line with legislation to ensure that the process of this policy is implemented, to enable budget manager to amend the budgets to reflect anticipated changes.

### **Petty Cash Policy**

- The municipality reviewed the petty cash policy in line with relevant legislation and policy so that it may be able to improve the efficiency of departmental operations especially for purchases of minor items.

### **Bad Debt Write Off**

- Bad debt write off policy was reviewed by the municipality in line with legislation and policy to ensure that the whole credit control and debt collection process have been followed in terms of trying to obtain payment due to Council by customer, taking into account developments of legislation governing financial management in local government as well as accounting standards.

#### **Deposit Policy**

- Deposit policy reviewed in order for municipality council in line with legislation to amend any clause, stipulation or tariff embodied in the policy in the interest of the parties concerned.

#### **Fleet Management Policy**

- Municipality reviewed this policy in line with legislation to regulate the use of official Municipal vehicles and to ensure that they are used in a safe and efficient manner in order to minimize accidents and abuse of vehicles.

#### **Electricity Supply by-laws**

- Electricity supply by-laws was reviewed by the municipality in line with legislation so that only the service provider shall supply or contract for the supply of electricity within the jurisdiction of the Service Authority.

#### **Subsistence and Traveling Policy**

- This policy was reviewed in line with legislation by municipality to sets out the basis for the payment of a subsistence and travel allowance for the purposes of such official who travel from time to time to establish and maintain links and relationships with other municipalities, government bodies, and other parties, institutions and organizations operating in the sphere of local government so that they can broaden their knowledge and understanding.

#### **Inventory management Policy**

The policy aims to achieve the following objectives which are to: –

- Provide guidelines that employees of the Municipality must follow in the management and control of inventory, including safeguarding and disposal of inventory.
- Procure inventory in line with the established procurement principles contained in the Municipality's Supply Chain Management Policy. Eliminate any potential misuse of inventory and possible theft.
- To lay down procedures and processes for the procurement management and control over inventory (stock) items in accordance with all relevant regulations and legislation and other policies and directives.

The envisaged outcome is an efficient and effective control and inventory management tool for the Municipality.

## **9. OVERVIEW OF BUDGET ASSUMPTIONS**

### **External factors**

The following factors were taken consideration and assumption when compiling 2025/26 budget to ensure that the budget is meaningful and easy to understand during the calculation of estimated revenues and expenditures:

- Division of Revenue Bill, 2025
- Domestic outlook
- Population growth
- Risks to the global outlook
- National target in new growth path to create jobs over the next decade
- Sound macroeconomic policy enables the Country to fund social and economic priorities.
- Anticipated salary increases.
- Demand for services provision on free basic services

- Rates – Tariffs, charges and timing of revenue collection
- Sustainability – Consumer affordability to services municipal services
- Interest rate

#### **Internal factors**

#### **KEY FINANCIAL TARGETS**

The following assumptions were considered on compilation of 2025/26 budget on revenues: The multi – year budget is underpinned by the following key financial target assumptions:

- Increasing/ maximizing revenue collection on outstanding debtors
- Full implementation of credit control policy and intensifying debt collection
- Revision of cemetery tariffs and other minor sources of income such as building plans
- Improvement on billing system by means of ensuring correctness of meter readings
- Customer education
- Improvement on public participation
- Tariff increase,
- Macro Growth factor indicator
- Capital Charges
- Total expenditure increases allowed.
- Increase in repairs and maintenance.

**There are several sources of information gathered during the compilation of 2025/26 budget:**

- Ba-Phalaborwa Integrated Development Plan
- mSCOA circulars

- Treasury circulars 99,98,94,91,89,86,85,82,75, 74, 72, 70, 67,66, 59, 58, 55, 54, 51 and 48-108, 112 and 115-123, 129, 130
- Statistics SA guidelines on economic indicators
- Financial management system and departmental budget inputs submitted.
- Consumer/ Customers surveys on services

## 10. OVERVIEW OF BUDGET FUNDING

### 10.1 REVENUE AND FINANCING ACTIVITIES

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>1</b>										
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	113,307	119,965	117,658	197,916	197,916	197,916	97,453	193,957	204,237	216,879
Service charges - Waste Management	2	18,082	18,558	20,167	21,914	21,914	21,914	13,990	19,894	20,789	21,309
Sale of Goods and Rendering of Services		887	664	795	784	5,698	5,698	932	5,993	7,899	8,237
Agency services		21,601	15,400	13,388	6,888	6,888	6,888	1,182	11,932	12,469	12,780
Interest earned from Receivables		11,337	25,626	14,251	18,470	18,470	18,470	7,190	16,768	17,522	17,961
Interest earned from Current and Non-Current Assets		2,434	4,026	5,120	5,394	5,894	5,894	3,783	5,351	5,591	5,731
Rental from Fixed Assets		205	512	342	285	365	365	342	349	365	374
Operational Revenue		9,790	613	497	8,186	8,186	8,186	170	7,432	7,766	7,960
<b>Non-Exchange Revenue</b>											
Property rates	2	133,398	135,075	127,740	194,706	194,706	194,706	134,560	214,177	223,815	229,410
Fines, penalties and forfeits		598	514	280	1,438	1,438	1,438	4	1,306	1,365	1,399
Licences or permits		20,358	4,143	4,296	6,445	6,445	6,445	1,102	5,851	6,115	6,267
Transfer and subsidies - Operational		182,025	196,070	215,659	223,212	222,873	222,873	292,643	224,034	227,248	232,247
Interest		41,761	30,429	34,468	47,632	47,632	47,632	25,577	43,242	45,188	46,318
Gains on disposal of Assets		-	(17)	87	-	-	-	-	-	-	-
Other Gains		1,163	10,542	(1,476)	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>556,948</b>	<b>562,120</b>	<b>553,272</b>	<b>733,271</b>	<b>738,427</b>	<b>738,427</b>	<b>578,926</b>	<b>750,286</b>	<b>780,369</b>	<b>806,873</b>

- The table above shows the summary of revenue and financing activities.
- The estimated revenue for 2025/26 is **R750.3 million** excluding capital grants.

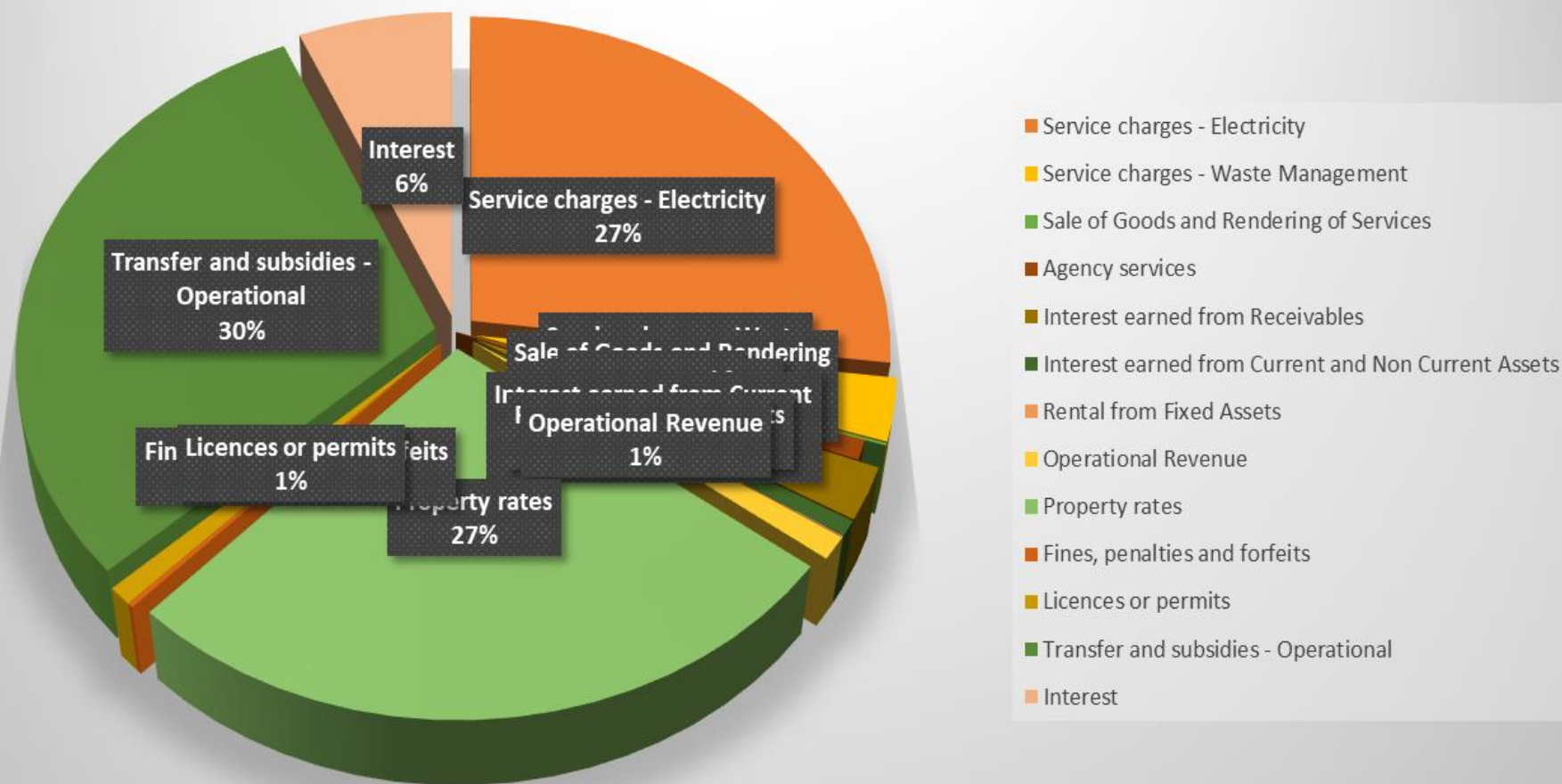
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ANNUAL BUDGET 2025/26

- Equitable share allocation is as per Division of Revenue (Dora 2025)

**Graphically Revenue per source:**

## Revenue per source



### 10.2.1 GRANTS AND SUBSIDIES AS PER DIVISION OF REVENUE 2025

ANNUAL BUDGET 2025/26



**LIM334 Ba-Phalaborwa - 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><u>Operating Transfers and Grants</u></b>										
<b>National Government:</b>		<b>183,539</b>	<b>195,949</b>	<b>213,809</b>	<b>223,212</b>	<b>222,873</b>	<b>222,873</b>	<b>224,034</b>	<b>227,248</b>	<b>232,247</b>
Energy Efficiency and Demand Management	–	3,000	–	4,000	–	–	–	–	5,000	–
EPWP Incentive	–	1,195	1,186	1,470	1,769	1,769	1,769	1,806	–	–
Finance Management	–	3,100	3,100	3,100	3,000	3,000	3,000	3,000	3,000	3,100
Local Government Equitable Share	–	169,872	189,853	205,239	216,586	216,247	216,247	217,276	217,139	226,946
Municipal Infrastructure Grant	–	6,372	1,809	–	1,857	1,857	1,857	1,952	2,109	2,201
<b>Total Operating Transfers and Grants</b>	<b>5</b>	<b>183,539</b>	<b>195,949</b>	<b>213,809</b>	<b>223,212</b>	<b>222,873</b>	<b>222,873</b>	<b>224,034</b>	<b>227,248</b>	<b>232,247</b>
<b><u>Capital Transfers and Grants</u></b>										
<b>National Government:</b>		<b>45,376</b>	<b>42,377</b>	<b>50,950</b>	<b>40,098</b>	<b>35,284</b>	<b>35,284</b>	<b>37,083</b>	<b>40,075</b>	<b>41,810</b>
Municipal Infrastructure Grant (MIG)	–	25,376	34,377	35,156	35,284	35,284	35,284	37,083	40,075	41,810
Integrated National Electrification Programme Grant	–	20,000	8,000	15,794	4,814	–	–	–	–	–
<b>Total Capital Transfers and Grants</b>	<b>5</b>	<b>45,376</b>	<b>42,377</b>	<b>50,950</b>	<b>40,098</b>	<b>35,284</b>	<b>35,284</b>	<b>37,083</b>	<b>40,075</b>	<b>41,810</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		<b>228,915</b>	<b>238,325</b>	<b>264,759</b>	<b>263,310</b>	<b>258,157</b>	<b>258,157</b>	<b>261,117</b>	<b>267,323</b>	<b>274,056</b>

- Equitable Share has increased as per Division of Revenue Act – from to R216.2 million to R217.3 million for 2025/26
- Financial Management Grant remain unchanged at R3 million as per the 2025 Division of Revenue Act
- Municipal Infrastructure Grant has increased as per Division of Revenue from R35.3 million to R37.1 million in 2025/26.
- Expanded public Works Grant has increased from R1.7 million to R1.8 as per Division of Revenue 2025

**ALLOCATION OF EXPENDITURE PER STANDARD ITEM**
**LIM334 Ba-Phalaborwa - Table A4 Budgeted Financial Performance (revenue and expenditure)**


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 ANNUAL BUDGET 2025/26

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Expenditure</b>											
Employee related costs	2	165 677	172 122	167 310	211 878	211 878	211 878	148 191	223 845	239 485	256 159
Remuneration of councillors		17 262	18 189	16 987	18 067	18 067	18 067	14 456	19 196	20 539	21 977
Bulk purchases - electricity	2	101 086	93 614	116 160	155 868	153 890	153 890	117 845	150 812	158 805	168 651
Inventory consumed	8	29 761	36 006	46 282	24 104	25 204	25 204	20 169	26 313	27 497	28 184
Debt impairment	3	-	1 133	-	105 500	105 500	105 500	-	110 142	115 098	117 976
Depreciation and amortisation		86 780	47 422	43 073	83 646	83 646	83 646	67 947	87 220	91 145	93 423
Interest		18 266	20 847	22 902	20 552	20 552	20 552	2 071	20 722	21 654	22 196
Contracted services		71 025	48 792	75 829	78 607	83 153	83 153	45 728	68 642	76 165	68 589
Transfers and subsidies		9 854	7 390	10 676	1 076	676	676	214	522	454	473
Irrecoverable debts written off		136 917	(54 976)	258 191	-	-	-	-	-	-	-
Operational costs		69 106	56 582	58 958	115 540	115 196	115 196	80 887	87 732	91 191	92 133
Other Losses		(79 375)	404	1 519	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>626 360</b>	<b>447 526</b>	<b>817 887</b>	<b>814 838</b>	<b>817 762</b>	<b>817 762</b>	<b>497 509</b>	<b>795 146</b>	<b>842 035</b>	<b>869 762</b>
<b>Surplus/(Deficit)</b>		<b>(69 411)</b>	<b>114 594</b>	<b>(264 563)</b>	<b>(81 567)</b>	<b>(79 335)</b>	<b>(79 335)</b>	<b>77 408</b>	<b>(44 860)</b>	<b>(61 665)</b>	<b>(62 889)</b>
Transfers and subsidies - capital (monetary allocations)	6	47 155	42 559	49 065	40 098	35 284	35 284	19 654	37 083	40 075	41 810
Transfers and subsidies - capital (in-kind)	6	11 899	332	51 703	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>(10 357)</b>	<b>157 484</b>	<b>(163 795)</b>	<b>(41 469)</b>	<b>(44 051)</b>	<b>(44 051)</b>	<b>97 062</b>	<b>(7 777)</b>	<b>(21 591)</b>	<b>(21 080)</b>

- The estimated total operational expenditure as per standard item is **R794 million** for the financial year 2025/26
- Included on the expenditure per standard item is the depreciation and amortisation of assets at an estimated amount of **R87.2 million**.
- Employee related costs for entire staff members exclusive of councillors is estimated at **R223.9 million** in 2025/26 financial year.

#### Summary of operating expenditure by standard classification item

## Employee Related Costs

The budgeted allocation for employee related costs for the 2025/26 financial year amounts to **R223.9 million** which equals 28.2% of the total operating expenditure.

## Remuneration of councillors

- The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). For the 2025/26 financial year the remuneration of councillors will amount to **R19.2 million**.

## Debt impairment

- The provision of debt impairment was determined based on a current collection rate and Debt Write-off Policy of the municipality. While this expenditure is considered to be a non-cash flow item, it is informed by the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues and amount to **R110.1 million** which equals to 13.9% of the operating expenditure.

## Depreciation and asset impairment

- Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Budget appropriations in this regard total **R87.2 million** for the 2025/26 financial and equates to 11% of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has been taken into account,

## Bulk Purchases

- Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses and are equals to 19% of the total operating expenditure.

#### **Contracted Services**

- In the 2025/26 financial year, this group of expenditure totals **R68.6 million** which equals to 9% of the total operating expenditure.

#### **Other Expenditure**

- Other expenditure comprises of various line items relating to the daily operations of the municipality, for 2025/26 financial year is estimated at **R87.5 million** which equals to 11% of total operational budget.

#### **Interest (Finance Charges)**

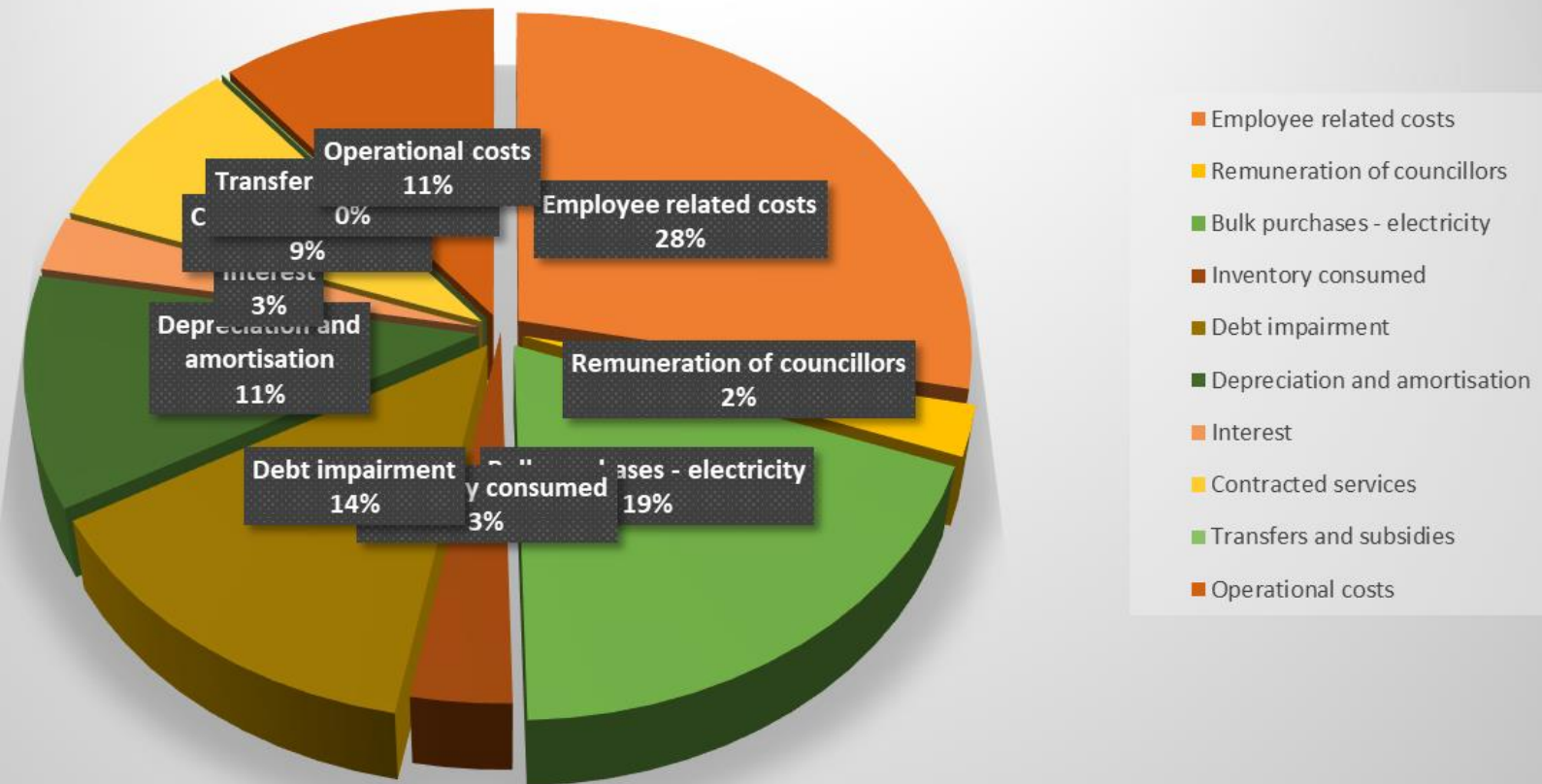
- The Interest (finance charges) for 2025/26 financial year is estimated at **R20.7 million** which constitute 2.6% of the total operating expenditure.

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

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ANNUAL BUDGET 2025/26

## OPERATION BUDGET



### 10.2.2 ALLOCATION OF MAIN VOTE

ANNUAL BUDGET 2025/26

Ba-Phalaborwa Municipality (LIM334)

**LIM334 Ba-Phalaborwa - 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>R thousand</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Executive and Councillors		–	–	–	–	–	–	–	–	–
Vote 2 - Budget and Treasury Office		376 294	380 822	432 151	481 149	481 310	481 310	492 900	505 020	521 994
Vote 3 - Corporate Services		246	815	647	285	365	365	349	365	374
Vote 4 - Community and Social Services		39 651	16 562	14 263	8 105	8 155	8 155	15 727	16 435	16 845
Vote 5 - Planning and Development Services		440	176	284	275	275	275	301	315	323
Vote 6 - Technical Services		198 209	196 093	208 224	283 555	283 605	283 605	278 091	298 309	309 145
<b>Total Revenue by Vote</b>	2	<b>614 839</b>	<b>594 468</b>	<b>655 568</b>	<b>773 369</b>	<b>773 711</b>	<b>773 711</b>	<b>787 369</b>	<b>820 444</b>	<b>848 682</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - Executive and Councillors		54 525	66 915	70 287	92 665	92 329	92 329	80 295	86 765	90 016
Vote 2 - Budget and Treasury Office		234 968	16 267	336 019	142 750	143 644	143 644	192 104	201 317	208 045
Vote 3 - Corporate Services		57 853	57 846	61 001	87 700	87 578	87 578	79 823	84 997	89 088
Vote 4 - Community and Social Services		103 691	66 183	43 091	88 427	86 853	86 853	88 781	95 040	101 062
Vote 5 - Planning and Development Services		13 870	13 475	16 570	34 314	33 280	33 280	29 887	25 611	23 859
Vote 6 - Technical Services		241 429	226 841	288 824	325 242	330 026	330 026	324 255	348 305	357 693
<b>Total Expenditure by Vote</b>	2	<b>706 336</b>	<b>447 526</b>	<b>815 792</b>	<b>771 097</b>	<b>773 711</b>	<b>773 711</b>	<b>795 146</b>	<b>842 035</b>	<b>869 762</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>(91 497)</b>	<b>146 942</b>	<b>(160 224)</b>	<b>2 273</b>	<b>–</b>	<b>–</b>	<b>(7 777)</b>	<b>(21 591)</b>	<b>(21 080)</b>

- Allocation of expenditure per main vote highlights the share per department's budget.
- The directorate receiving a bigger share in terms of the main votes are Technical Services due to service delivery
- The least directorate receiving smaller share of budget is Planning and Development services.

## 10.5 FUNDING MEASUREMENT

**LIM334 Ba-Phalaborwa Supporting Table SA10 Funding measurement**

ANNUAL BUDGET 2025/26

Description	MFMA section	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Funding measures</b>												
Cash/cash equivalents at the year end - R'000	18(1)b	1	(40 587)	1 127 821	1 645 032	(40 959)	(18 155)	(18 155)	6 949	25 252	79 643	145 610
Cash + investments at the yr end less applications - R'000	18(1)b	2	(1 598 722)	(1 540 485)	(1 641 485)	(329 031)	(293 028)	(293 028)	(1 869 584)	50 474	220 646	249 316
Cash year end/monthly employee/supplier payments	18(1)b	3	(1.2)	32.4	43.5	(0.8)	(0.3)	(0.3)	0.2	0.5	1.4	2.5
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(10 357)	157 484	(163 795)	(41 469)	(44 051)	(44 051)	97 062	(7 777)	(21 591)	(21 080)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(2.7%)	(8.9%)	50.1%	(6.0%)	(6.0%)	(34.0%)	(2.7%)	(1.1%)	(1.8%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	3.8%	30.1%	53.5%	21.7%	21.9%	21.9%	18.0%	77.5%	95.2%	95.3%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7		0.4%	0.0%	25.5%	25.5%	25.5%	0.0%	25.7%	25.6%	25.2%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	35.4%	(1.5%)	(66.7%)	(76.5%)	0.0%	1320.1%	(91.4%)	104.1%	4.5%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	(100.0%)	0.0%	0.0%	0.0%	(100.0%)	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	1.6%	2.4%	2.4%	2.2%	2.6%	2.6%	2.2%	2.5%	2.3%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Supporting indicators</b>												
% incr <i>total service charges (incl prop rates)</i>	18(1)a	-		3.3%	(2.9%)	56.1%	0.0%	0.0%	(28.0%)	3.3%	4.9%	4.2%
% incr Property Tax	18(1)a			1.3%	(5.4%)	52.4%	0.0%	0.0%	(12.9%)	10.0%	4.5%	2.5%
% incr Service charges - Electricity	18(1)a			5.9%	(1.9%)	68.1%	0.0%	0.0%	(43.7%)	(2.0%)	5.3%	6.2%
% incr Service charges - Water	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - Waste Water Management	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - Waste Management	18(1)a			2.6%	8.7%	8.7%	0.0%	0.0%	(19.9%)	(9.2%)	4.5%	2.5%
% incr in Sale of Goods and Rendering of Services	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		264 788	273 598	265 617	414 536	414 536	414 536	298 598	428 029	448 841	467 599
Service charges			264 788	273 598	265 617	414 536	414 536	414 536	298 598	428 029	448 841	467 599
Property rates			133 398	135 075	127 740	194 706	194 706	194 706	169 551	214 177	223 815	229 410
Service charges - electricity revenue			113 307	119 965	117 710	197 916	197 916	197 916	111 500	193 957	204 237	216 879
Service charges - water revenue			-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue			-	-	-	-	-	-	-	-	-	-
Service charges - refuse removal			18 082	18 558	20 167	21 914	21 914	21 914	17 547	19 894	20 789	21 309
Agency services			21 601	15 400	13 388	6 888	6 888	6 888	3 033	11 932	12 469	12 780
Capital expenditure excluding capital grant funding			89 515	(52 828)	54 088	19 695	19 695	19 695	8 754	27 073	15 010	11 913
Cash receipts from ratepayers	18(1)a		51 000	355 119	617 702	375 754	380 748	380 748	246 748	390 294	504 436	524 779
Ratepayer & Other revenue	18(1)a		1 331 803	1 178 623	1 154 808	1 730 546	1 735 940	1 735 940	1 372 593	503 784	529 642	550 560
Change in consumer debtors (current and non-current)			N/A	471 772	(27 342)	(1 184 210)	(453 310)	-	1 834 516	(1 803 547)	176 935	15 586
Operating and Capital Grant Revenue	18(1)a		229 180	238 628	264 724	263 310	258 157	258 157	241 360	261 117	267 323	274 056
Capital expenditure - total	20(1)(vi)		89 087	(37 107)	88 781	59 793	54 979	54 979	27 678	59 319	49 858	48 269

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Capital expenditure - renewal	20(1)(vi)		–	–	–	–	–	–	–	–	–	–
<b>Supporting benchmarks</b>												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY												
DoRA capital grants total MFY												
Provincial operating grants												
Provincial capital grants												
District Municipality grants												
Total gazetted/advised national, provincial and district grants										–	–	–
Average annual collection rate (arrears inclusive)												
<b>Total Operating Revenue</b>			556 948	562 120	553 324	733 271	738 427	738 427	574 917	750 286	780 369	806 873
<b>Total Operating Expenditure</b>			626 360	447 526	817 887	814 838	817 762	817 762	497 509	795 146	842 035	869 762
<b>Operating Performance Surplus/(Deficit)</b>			(69 411)	114 594	(264 563)	(81 567)	(79 335)	(79 335)	77 408	(44 860)	(61 665)	(62 889)
<b>Cash and Cash Equivalents (30 June 2012)</b>										25 252		
<b>Revenue</b>												
% Increase in Total Operating Revenue				0.9%	(1.6%)	32.5%	0.7%	0.0%	(22.1%)	1.6%	4.0%	3.4%
% Increase in Property Rates Revenue				1.3%	(5.4%)	52.4%	0.0%	0.0%	(12.9%)	26.3%	4.5%	2.5%
% Increase in Electricity Revenue				5.9%	(1.9%)	68.1%	0.0%	0.0%	(43.7%)	(2.0%)	5.3%	6.2%
% Increase in Property Rates & Services Charges				3.3%	(2.9%)	56.1%	0.0%	0.0%	(28.0%)	3.3%	4.9%	4.2%
<b>Expenditure</b>												
% Increase in Total Operating Expenditure				(28.6%)	82.8%	(0.4%)	0.4%	0.0%	(39.2%)	(2.8%)	5.9%	3.3%
% Increase in Employee Costs				3.9%	(2.8%)	26.6%	0.0%	0.0%	(30.1%)	5.6%	7.0%	7.0%
% Increase in Electricity Bulk Purchases				(7.4%)	24.1%	34.2%	(1.3%)	0.0%	(23.4%)	(2.0%)	5.3%	6.2%
Average Cost Per Budgeted Employee Position (Remuneration)					0	0				0		
Average Cost Per Councillor (Remuneration)					0	0				0		
R&M % of PPE			1.6%	2.4%	2.4%	2.2%	2.6%	2.6%		2.2%	2.5%	2.3%
Asset Renewal and R&M as a % of PPE			1.6%	2.4%	6.7%	3.4%	3.5%	3.5%		4.0%	2.5%	2.3%
Debt Impairment % of Total Billable Revenue			0.0%	0.4%	0.0%	25.5%	25.5%	25.5%	0.0%	25.7%	25.6%	25.2%
<b>Capital Revenue</b>												
Internally Funded & Other (R'000)			67 966	(31 279)	54 088	19 695	19 695	19 695	8 754	27 073	15 010	11 913
Borrowing (R'000)			–	–	–	–	–	–	–	–	–	–
Grant Funding and Other (R'000)			(427)	15 720	34 693	40 098	35 284	35 284	18 924	32 246	34 848	36 356
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			(0.6%)	(101.0%)	39.1%	67.1%	64.2%	64.2%	68.4%	54.4%	69.9%	75.3%
<b>Capital Expenditure</b>												
Total Capital Programme (R'000)			89 087	(37 107)	88 781	59 793	54 979	54 979	27 678	59 319	49 858	48 269
Asset Renewal			(123)	36	51 703	14 875	11 004	11 004	21 565	–	–	–
Asset Renewal % of Total Capital Expenditure			(0.2%)	(0.2%)	58.2%	24.9%	20.0%	20.0%	77.9%	0.0%	0.0%	0.0%
<b>Cash</b>												
Cash Receipts % of Rate Payer & Other			3.8%	30.1%	53.5%	21.7%	21.9%	21.9%	18.0%	77.5%	95.2%	95.3%

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Cash Coverage Ratio			(0)	0	0	(0)	(0)	(0)	0	0	0	0
<b><u>Borrowing</u></b>												
Most recent Credit Rating									0			
Capital Charges to Operating			2.9%	0.5%	2.6%	5.0%	5.0%	5.0%	0.4%	5.2%	3.2%	2.6%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Reserves</u></b>												
Uncommitted reserves after application of cash and investments			(1 598 722)	(1 540 485)	(1 641 485)	(329 031)	(293 028)	(293 028)	(1 869 584)	50 474	220 646	249 316
<b><u>Free Services</u></b>												
Free Basic Services as a % of Equitable Share			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)			(4.2%)	(4.2%)	(3.1%)	(3.4%)	(3.3%)	(3.3%)		(3.6%)	(3.5%)	(3.5%)
<b><u>High Level Outcome of Funding Compliance</u></b>												
Total Operating Revenue			556 948	562 120	553 324	733 271	738 427	738 427	574 917	750 286	780 369	806 873
Total Operating Expenditure			626 360	447 526	817 887	814 838	817 762	817 762	497 509	795 146	842 035	869 762
Surplus/(Deficit) Budgeted Operating Statement			(69 411)	114 594	(264 563)	(81 567)	(79 335)	(79 335)	77 408 (1 869	(44 860)	(61 665)	(62 889)
Surplus/(Deficit) Considering Reserves and Cash Backing			(1 598 722)	(1 540 485)	(1 641 485)	(329 031)	(293 028)	(293 028)	584)	50 474	220 646	249 316
<b>MTREF Funded (1) / Unfunded (0)</b>	15		0	0	0	0	0	0	0	1	1	1
<b>MTREF Funded ✓ / Unfunded ✖</b>	15		✖	✖	✖	✖	✖	✖	✖	✓	✓	✓

## 11 . EXPENDITURE ON ALLOCATIONS

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## Summary of Expenditure per Sub-Vote

**LIM334 Ba-Phalaborwa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote Description R thousand	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>Expenditure by Vote</b>	<b>1</b>									
<b>Vote 1 - Executive and Councillors</b>		<b>54 525</b>	<b>66 915</b>	<b>70 287</b>	<b>92 665</b>	<b>92 329</b>	<b>92 329</b>	<b>80 295</b>	<b>86 765</b>	<b>90 016</b>
1.1 - Mayor and Council		18 328	27 317	26 900	37 906	39 144	39 144	29 855	31 803	33 613
1.2 - Municipal Manager, Town Secretary and Chief Executive		13 166	13 920	14 236	17 507	16 777	16 777	17 706	19 719	21 073
1.3 - Governance Function		20 500	23 862	27 540	34 409	33 636	33 636	29 832	31 889	31 771
1.4 - Disaster Management		2 532	1 815	1 611	2 543	2 673	2 673	2 859	3 094	3 297
1.5 - Risk Management		–	–	–	300	100	100	43	261	261
<b>Vote 2 - Budget and Treasury Office</b>		<b>234 968</b>	<b>16 267</b>	<b>336 019</b>	<b>142 750</b>	<b>143 644</b>	<b>143 644</b>	<b>192 104</b>	<b>201 317</b>	<b>208 045</b>
2.1 - Finance		167 667	(29 810)	290 378	18 378	18 475	18 475	62 250	65 785	68 704
2.2 - Asset Management		51 158	21 012	24 345	21 501	21 841	21 841	22 515	23 799	24 588
2.3 - Supply Chain Management		15 205	22 449	19 006	16 386	16 843	16 843	17 049	17 379	18 041
2.4 - Valuation Service		–	–	–	83 455	83 455	83 455	87 127	91 048	93 324
2.6 - Fleet Management		938	2 615	2 290	3 030	3 030	3 030	3 163	3 306	3 388
<b>Vote 3 - Corporate Services</b>		<b>57 853</b>	<b>57 846</b>	<b>61 001</b>	<b>87 700</b>	<b>87 578</b>	<b>87 578</b>	<b>79 823</b>	<b>84 997</b>	<b>89 088</b>
3.1 - Administrative and Corporate Support		19 761	23 992	25 627	33 674	35 790	35 790	35 842	38 149	40 482
3.2 - Information Technology		15 849	15 812	15 599	29 849	27 293	27 293	22 482	24 465	25 440
3.3 - Human Resources		11 079	8 928	6 234	12 437	12 782	12 782	10 889	11 240	11 637
3.4 - Legal Services		11 164	9 114	13 541	11 740	11 713	11 713	10 610	11 143	11 529
<b>Vote 4 - Community and Social Services</b>		<b>103 691</b>	<b>66 183</b>	<b>43 091</b>	<b>88 427</b>	<b>86 853</b>	<b>86 853</b>	<b>88 781</b>	<b>95 040</b>	<b>101 062</b>
4.1 - Community Halls and Facilities		60	12 941	76	12 281	11 281	11 281	11 530	12 439	12 351
4.2 - Cemeteries, Funeral Parlours and Crematoriums		4 026	1 935	2 796	4 753	3 643	3 643	3 656	4 090	4 311
4.3 - Community Parks (including Nurseries)		2 992	2 750	2 762	4 151	5 353	5 353	4 579	4 773	4 948
4.4 - Road and Traffic Regulation		14 313	12 925	11 085	17 371	17 491	17 491	16 990	18 096	19 245
4.5 - Libraries and Archives		12 512	2 479	2 421	3 854	3 958	3 958	3 984	4 236	4 501
4.6 - Health Services		12 605	13 008	13 190	20 745	18 375	18 375	20 652	22 175	24 601
4.7 - Solid Waste Disposal (Landfill Sites)		40 631	19 328	19 458	23 486	23 316	23 316	24 387	26 096	27 895
4.8 - Solid Waste Disposal (Landfill Sites)		16 552	817	(8 698)	1 784	3 434	3 434	3 004	3 135	3 211
<b>Vote 5 - Planning and Development Services</b>		<b>13 870</b>	<b>13 475</b>	<b>16 570</b>	<b>34 314</b>	<b>33 280</b>	<b>33 280</b>	<b>29 887</b>	<b>25 611</b>	<b>23 859</b>

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5.1 - Economic Development/Planning		6 308	5 563	5 931	10 160	10 788	10 788	9 590	10 327	9 698
5.2 - Corporate Wide Strategic Planning (IDPs, LEDs)		1 902	2 315	3 664	6 855	6 340	6 340	6 014	6 585	6 958
5.3 - Town Planning, Building Regulations and Enforcement, and City Engineer		5 213	5 201	6 503	16 499	15 219	15 219	13 544	7 960	6 463
5.4 - Development Facilitation		447	396	473	800	933	933	739	739	739
<b>Vote 6 - Technical Services</b>		<b>241 429</b>	<b>226 841</b>	<b>288 824</b>	<b>325 242</b>	<b>330 026</b>	<b>330 026</b>	<b>324 255</b>	<b>348 305</b>	<b>357 693</b>
6.1 - Solid Waste Removal		5 963	1 657	2 359	8 670	7 299	7 299	6 589	6 874	7 048
6.2 - Roads		86 506	76 566	81 408	89 824	93 167	93 167	89 347	94 741	98 036
6.3 - Project Management Unit		1 637	2 234	2 709	3 290	3 275	3 275	2 528	2 629	2 753
6.4 - Street Lighting and Signal Systems		–	–	–	–	–	–	–	–	–
6.5 - Sports Grounds and Stadiums		–	–	–	–	–	–	–	–	–
6.6 - Electricity		147 323	146 385	202 348	223 459	226 285	226 285	225 791	244 061	249 856
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>706 336</b>	<b>447 526</b>	<b>815 792</b>	<b>771 097</b>	<b>773 711</b>	<b>773 711</b>	<b>795 146</b>	<b>842 035</b>	<b>869 762</b>
<b>Surplus/(Deficit) for the year</b>	<b>2</b>	<b>(91 497)</b>	<b>146 942</b>	<b>(160 224)</b>	<b>2 273</b>	<b>–</b>	<b>–</b>	<b>(7 777)</b>	<b>(21 591)</b>	<b>(21 080)</b>

## 12 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

In the 2025/26 MTREF no allocations will be made by the Municipality to:

- ✚ Other municipalities.
- ✚ Municipal Entities and other external service delivery mechanisms;
- ✚ Any other organs of state; and
- ✚ Any other organisation outside government

## 13 COUNCILLORS AND BOARD MEMBER ALLOWANCE AND EMPLOYEE BENEFITS

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### 13.1 Summary of Councillors and Staff Benefits

LIM334 Ba-Phalaborwa - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	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
–	1	A	B	C	D	E	F	G	H	I
<b><u>Councillors (Political Office Bearers plus Other)</u></b>										
Basic Salaries and Wages		–	–	11 711	12 088	12 088	12 088	12 843	13 742	14 704
Cellphone Allowance		–	–	1 716	1 785	1 785	1 785	1 897	2 030	2 172
Other benefits and allowances		–	–	3 560	4 194	4 194	4 194	4 456	4 768	5 101
<b>Sub Total - Councillors</b>		–	–	<b>16 987</b>	<b>18 067</b>	<b>18 067</b>	<b>18 067</b>	<b>19 196</b>	<b>20 539</b>	<b>21 977</b>
<b>% increase</b>	4		–	–	<b>6.4%</b>	–	–	<b>6.2%</b>	<b>7.0%</b>	<b>7.0%</b>
<b><u>Senior Managers of the Municipality</u></b>	2									
Basic Salaries and Wages		2 082	1 987	3 534	4 583	4 583	4 583	4 869	5 210	5 575
Pension and UIF Contributions		7	6	13	13	13	13	14	14	16
Motor Vehicle Allowance	3	997	995	1 974	1 528	1 528	1 528	1 623	1 737	1 858
Cellphone Allowance	3	81	80	358	152	152	152	161	173	185
Other benefits and allowances	3	47	–	–	129	129	129	137	146	157
Acting and post related allowance		83	43	–	–	–	–	64	68	73
<b>Sub Total - Senior Managers of Municipality</b>		<b>3 653</b>	<b>3 351</b>	<b>6 161</b>	<b>6 404</b>	<b>6 404</b>	<b>6 404</b>	<b>6 868</b>	<b>7 348</b>	<b>7 863</b>
<b>% increase</b>	4		<b>(8.3%)</b>	<b>83.9%</b>	<b>3.9%</b>	–	–	<b>7.2%</b>	<b>7.0%</b>	<b>7.0%</b>
<b><u>Other Municipal Staff</u></b>										
Basic Salaries and Wages		87 743	94 520	93 970	111 712	111 712	111 712	117 544	125 759	134 472
Pension and UIF Contributions		18 154	19 660	20 018	23 997	23 997	23 997	25 462	27 229	29 135
Medical Aid Contributions		5 749	9 216	11 457	12 190	12 190	12 190	12 973	13 881	14 853
Overtime		6 871	3 844	1 394	4 455	4 455	4 455	4 656	4 982	5 331
Performance Bonus		7 012	7 906	7 820	9 233	9 233	9 233	9 808	10 495	11 230
Motor Vehicle Allowance	3	13 320	13 859	13 762	19 493	19 493	19 493	20 785	22 240	23 797
Cellphone Allowance	3	1 361	1 463	1 580	1 852	1 852	1 852	2 021	2 162	2 314
Housing Allowances	3	645	727	590	897	897	897	1 056	1 130	1 209
Other benefits and allowances	3	10 615	2 820	1 402	7 019	7 019	7 019	6 897	7 380	7 896
Payments in lieu of leave		5 360	11 005	8 216	10 170	10 170	10 170	11 060	11 835	12 663
Long service awards		2 466	(994)	(2 196)	76	76	76	–	–	–
Post-retirement benefit obligations	6	–	1 749	–	–	–	–	–	–	–
Acting and post related allowance		2 727	2 996	3 136	4 381	4 381	4 381	4 713	5 043	5 396

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In kind benefits		–	–	–	–	–	–	–	–	–
<b>Sub Total - Other Municipal Staff</b>		<b>162 024</b>	<b>168 771</b>	<b>161 149</b>	<b>205 475</b>	<b>205 475</b>	<b>205 475</b>	<b>216 977</b>	<b>232 137</b>	<b>248 296</b>
<b>% increase</b>	4		4.2%	(4.5%)	27.5%	–	–	5.6%	7.0%	7.0%
<b>Total Parent Municipality</b>		<b>165 677</b>	<b>172 122</b>	<b>184 297</b>	<b>229 945</b>	<b>229 945</b>	<b>229 945</b>	<b>243 041</b>	<b>260 024</b>	<b>278 136</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>165 677</b>	<b>172 122</b>	<b>184 297</b>	<b>229 945</b>	<b>229 945</b>	<b>229 945</b>	<b>243 041</b>	<b>260 024</b>	<b>278 136</b>
<b>% increase</b>	4		3.9%	7.1%	24.8%	–	–	5.7%	7.0%	7.0%
<b>TOTAL MANAGERS AND STAFF</b>	5,7	<b>165 677</b>	<b>172 122</b>	<b>167 310</b>	<b>211 878</b>	<b>211 878</b>	<b>211 878</b>	<b>223 845</b>	<b>239 485</b>	<b>256 159</b>

#### 14. MONTHLY TARGETS FOR REVENUE AND EXPENDITURE

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**LIM334 Ba-Phalaborwa - Supporting Table SA25 Budgeted monthly revenue and expenditure**

Description	Ref	Budget Year 2025/26												Medium Term Revenue and Expenditure Framework		
R thousand		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</b>																
<b>Exchange Revenue</b>																
Service charges - Electricity		16 163	16 163	16 163	16 163	16 163	16 163	16 163	16 163	16 163	16 163	16 163	16 163	193 957	204 237	216 879
Service charges - Waste Management		1 658	1 658	1 658	1 658	1 658	1 658	1 658	1 658	1 658	1 658	1 658	1 658	19 894	20 789	21 309
Sale of Goods and Rendering of Services		499	499	499	499	499	499	499	499	499	499	499	499	5 993	7 899	8 237
Agency services		994	994	994	994	994	994	994	994	994	994	994	994	11 932	12 469	12 780
Interest earned from Receivables		1 397	1 397	1 397	1 397	1 397	1 397	1 397	1 397	1 397	1 397	1 397	1 397	16 768	17 522	17 961
Interest earned from Current and Non Current Assets		446	446	446	446	446	446	446	446	446	446	446	446	5 351	5 591	5 731
Rental from Fixed Assets		29	29	29	29	29	29	29	29	29	29	29	29	349	365	374
Operational Revenue		619	619	619	619	619	619	619	619	619	619	619	619	7 432	7 766	7 960
<b>Non-Exchange Revenue</b>																
Property rates		17 848	17 848	17 848	17 848	17 848	17 848	17 848	17 848	17 848	17 848	17 848	17 848	214 177	223 815	229 410
Fines, penalties and forfeits		109	109	109	109	109	109	109	109	109	109	109	109	1 306	1 365	1 399
Licences or permits		488	488	488	488	488	488	488	488	488	488	488	488	5 851	6 115	6 267
Transfer and subsidies - Operational		18 669	18 669	18 669	18 669	18 669	18 669	18 669	18 669	18 669	18 669	18 669	18 669	224 034	227 248	232 247
Interest		3 603	3 603	3 603	3 603	3 603	3 603	3 603	3 603	3 603	3 603	3 603	3 603	43 242	45 188	46 318
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>62 524</b>	<b>62 524</b>	<b>62 524</b>	<b>62 524</b>	<b>62 524</b>	<b>62 524</b>	<b>62 524</b>	<b>62 524</b>	<b>62 524</b>	<b>62 524</b>	<b>62 524</b>	<b>62 524</b>	<b>750 286</b>	<b>780 369</b>	<b>806 873</b>
<b>Expenditure</b>																
Employee related costs		18 654	18 654	18 654	18 654	18 654	18 654	18 654	18 654	18 654	18 654	18 654	18 654	223 845	239 485	256 159
Remuneration of councillors		1 600	1 600	1 600	1 600	1 600	1 600	1 600	1 600	1 600	1 600	1 600	1 600	19 196	20 539	21 977
Bulk purchases - electricity		12 568	12 568	12 568	12 568	12 568	12 568	12 568	12 568	12 568	12 568	12 568	12 568	150 812	158 805	168 651
Inventory consumed		2 193	2 193	2 193	2 193	2 193	2 193	2 193	2 193	2 193	2 193	2 193	2 193	26 313	27 497	28 184
Debt impairment		9 179	9 179	9 179	9 179	9 179	9 179	9 179	9 179	9 179	9 179	9 179	9 179	110 142		

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															115 098	117 976
Depreciation and amortisation		7 268	7 268	7 268	7 268	7 268	7 268	7 268	7 268	7 268	7 268	7 268	7 268	87 220	91 145	93 423
Interest		1 727	1 727	1 727	1 727	1 727	1 727	1 727	1 727	1 727	1 727	1 727	1 727	20 722	21 654	22 196
Contracted services		5 720	5 720	5 720	5 720	5 720	5 720	5 720	5 720	5 720	5 720	5 720	5 720	68 642	76 165	68 589
Transfers and subsidies		43	43	43	43	43	43	43	43	43	43	43	43	522	454	473
Operational costs		7 311	7 311	7 311	7 311	7 311	7 311	7 311	7 311	7 311	7 311	7 311	7 311	87 732	91 191	92 133
<b>Total Expenditure</b>		<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>795 146</b>	<b>842 035</b>	<b>869 762</b>
<b>Surplus/(Deficit)</b>		<b>(3 738)</b>	<b>(3 738)</b>	<b>(3 738)</b>	<b>(3 738)</b>	<b>(3 738)</b>	<b>(3 738)</b>	<b>(3 738)</b>	<b>(3 738)</b>	<b>(3 738)</b>	<b>(3 738)</b>	<b>(3 738)</b>	<b>(3 738)</b>	<b>(44 860)</b>	<b>(61 665)</b>	<b>(62 889)</b>
Transfers and subsidies - capital (monetary allocations)		3 090	3 090	3 090	3 090	3 090	3 090	3 090	3 090	3 090	3 090	3 090	3 090	37 083	40 075	41 810
<b>Surplus/(Deficit) for the year</b>	1	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(7 777)</b>	<b>(21 591)</b>	<b>(21 080)</b>

#### **BUDGETED MONTHLY REVENUE AND EXPENDITURE (FUNCTIONAL CLASSIFICATION)**

ANNUAL BUDGET 2025/26

**LIM334 Ba-Phalaborwa - 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>		41 104	41 104	41 104	41 104	41 104	41 104	41 104	41 104	41 104	41 104	41 104	41 104	493 250	505 385	522 369
Finance and administration		41 104	41 104	41 104	41 104	41 104	41 104	41 104	41 104	41 104	41 104	41 104	41 104	493 250	505 385	522 369
<b>Community and public safety</b>		1 203	1 203	1 203	1 203	1 203	1 203	1 203	1 203	1 203	1 203	1 203	1 203	14 440	15 090	15 467
Community and social services		27	27	27	27	27	27	27	27	27	27	27	27	328	343	351
Public safety		1 176	1 176	1 176	1 176	1 176	1 176	1 176	1 176	1 176	1 176	1 176	1 176	14 112	14 747	15 116
<b>Economic and environmental services</b>		3 548	3 548	3 548	3 548	3 548	3 548	3 548	3 548	3 548	3 548	3 548	3 548	42 577	43 998	45 870
Planning and development		25	25	25	25	25	25	25	25	25	25	25	25	301	315	323
Road transport		3 523	3 523	3 523	3 523	3 523	3 523	3 523	3 523	3 523	3 523	3 523	3 523	42 276	43 683	45 547
<b>Trading services</b>		19 758	19 758	19 758	19 758	19 758	19 758	19 758	19 758	19 758	19 758	19 758	19 758	237 102	255 970	264 977
Energy sources		17 139	17 139	17 139	17 139	17 139	17 139	17 139	17 139	17 139	17 139	17 139	17 139	205 673	223 127	231 313
Waste management		2 619	2 619	2 619	2 619	2 619	2 619	2 619	2 619	2 619	2 619	2 619	2 619	31 429	32 843	33 664
<b>Total Revenue - Functional</b>		65 614	65 614	65 614	65 614	65 614	65 614	65 614	65 614	65 614	65 614	65 614	65 614	787 369	820 444	848 682
<b>Expenditure - Functional</b>	–															
<b>Governance and administration</b>		29 114	29 114	29 114	29 114	29 114	29 114	29 114	29 114	29 114	29 114	29 114	29 114	349 363	369 985	383 852
Executive and council		3 963	3 963	3 963	3 963	3 963	3 963	3 963	3 963	3 963	3 963	3 963	3 963	47 561	51 521	54 687
Finance and administration		22 664	22 664	22 664	22 664	22 664	22 664	22 664	22 664	22 664	22 664	22 664	22 664	271 970	286 574	297 394
Internal audit		2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	29 832	31 889	31 771
<b>Community and public safety</b>		5 971	5 971	5 971	5 971	5 971	5 971	5 971	5 971	5 971	5 971	5 971	5 971	71 647	76 903	81 903
Community and social services		1 836	1 836	1 836	1 836	1 836	1 836	1 836	1 836	1 836	1 836	1 836	1 836	22 029	23 859	24 459
Sport and recreation		382	382	382	382	382	382	382	382	382	382	382	382	4 579	4 773	4 948

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Public safety		2 032	2 032	2 032	2 032	2 032	2 032	2 032	2 032	2 032	2 032	2 032	2 032	24 387	26 096	27 895
Health		1 721	1 721	1 721	1 721	1 721	1 721	1 721	1 721	1 721	1 721	1 721	1 721	20 652	22 175	24 601
<b>Economic and environmental services</b>		<b>11 563</b>	<b>11 563</b>	<b>11 563</b>	<b>11 563</b>	<b>11 563</b>	<b>11 563</b>	<b>11 563</b>	<b>11 563</b>	<b>11 563</b>	<b>11 563</b>	<b>11 563</b>	<b>11 563</b>	<b>138 752</b>	<b>141 077</b>	<b>143 891</b>
Planning and development		2 701	2 701	2 701	2 701	2 701	2 701	2 701	2 701	2 701	2 701	2 701	2 701	32 415	28 240	26 611
Road transport		8 861	8 861	8 861	8 861	8 861	8 861	8 861	8 861	8 861	8 861	8 861	8 861	106 337	112 837	117 280
<b>Trading services</b>		<b>19 615</b>	<b>19 615</b>	<b>19 615</b>	<b>19 615</b>	<b>19 615</b>	<b>19 615</b>	<b>19 615</b>	<b>19 615</b>	<b>19 615</b>	<b>19 615</b>	<b>19 615</b>	<b>19 615</b>	<b>235 384</b>	<b>254 070</b>	<b>260 116</b>
Energy sources		18 816	18 816	18 816	18 816	18 816	18 816	18 816	18 816	18 816	18 816	18 816	18 816	225 791	244 061	249 856
Waste management		799	799	799	799	799	799	799	799	799	799	799	799	9 593	10 009	10 260
<b>Total Expenditure - Functional</b>		<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>66 262</b>	<b>795 146</b>	<b>842 035</b>	<b>869 762</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(7 777)</b>	<b>(21 591)</b>	<b>(21 080)</b>
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(648)</b>	<b>(7 777)</b>	<b>(21 591)</b>	<b>(21 080)</b>

## **BUDGETED MONTHLY CASH FLOW**

### **LIM334 Ba-Phalaborwa - Supporting Table SA30 Budgeted monthly**

ANNUAL BUDGET 2025/26

**cash flow**

MONTHLY CASH FLOWS	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>Cash Receipts By Source</b>													1		
Property rates	15 423	15 423	15 423	15 423	15 423	15 423	15 423	15 423	15 423	15 423	15 423	15 423	185 080	241 761	247 805
Service charges - electricity revenue	13 025	13 025	13 025	13 025	13 025	13 025	13 025	13 025	13 025	13 025	13 025	13 025	156 296	205 725	218 459
Service charges - refuse revenue	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	1 338	16 055	20 972	21 496
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	29	29	29	29	29	29	29	29	29	29	29	29	349	365	374
Interest earned - external investments	446	446	446	446	446	446	446	446	446	446	446	446	5 351	5 591	5 731
Fines, penalties and forfeits	109	109	109	109	109	109	109	109	109	109	109	109	1 306	1 365	1 399
Licences and permits	488	488	488	488	488	488	488	488	488	488	488	488	5 851	6 115	6 267
Agency services	994	994	994	994	994	994	994	994	994	994	994	994	11 932	12 469	12 780
Transfers and Subsidies - Operational	18 669	18 669	18 669	18 669	18 669	18 669	18 669	18 669	18 669	18 669	18 669	18 669	224 034	227 248	232 247
Other revenue	1 119	1 119	1 119	1 119	1 119	1 119	1 119	1 119	1 119	1 119	1 119	1 119	13 425	15 665	16 197
<b>Cash Receipts by Source</b>	<b>51 640</b>	<b>51 640</b>	<b>51 640</b>	<b>51 640</b>	<b>51 640</b>	<b>51 640</b>	<b>51 640</b>	<b>51 640</b>	<b>51 640</b>	<b>51 640</b>	<b>51 640</b>	<b>51 640</b>	<b>619 679</b>	<b>737 275</b>	<b>762 756</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	3 090	3 090	3 090	3 090	3 090	3 090	3 090	3 090	3 090	3 090	3 090	3 090	37 083	40 075	41 810
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	25	–
VAT Control (receipts)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Cash Receipts by Source</b>	<b>54 730</b>	<b>54 730</b>	<b>54 730</b>	<b>54 730</b>	<b>54 730</b>	<b>54 730</b>	<b>54 730</b>	<b>54 730</b>	<b>54 730</b>	<b>54 730</b>	<b>54 730</b>	<b>54 730</b>	<b>656 762</b>	<b>777 375</b>	<b>804 566</b>
<b>Cash Payments by Type</b>															
Employee related costs	17 265	17 265	17 265	17 265	17 265	17 265	17 265	17 265	17 265	17 265	17 265	17 265	207 183	240 867	257 576
Remuneration of councillors	1 600	1 600	1 600	1 600	1 600	1 600	1 600	1 600	1 600	1 600	1 600	1 600	19 196	20 539	21 977

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Interest	198	198	198	198	198	198	198	198	198	198	198	198	2 376	2 483	2 545
Bulk purchases - electricity	14 453	14 453	14 453	14 453	14 453	14 453	14 453	14 453	14 453	14 453	14 453	14 453	173 434	182 626	193 949
Acquisitions - water & other inventory	2 193	2 193	2 193	2 193	2 193	2 193	2 193	2 193	2 193	2 193	2 193	2 193	26 313	27 491	28 184
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services	6 085	6 085	6 085	6 085	6 085	6 085	6 085	6 085	6 085	6 085	6 085	6 085	73 025	87 576	78 864
Transfers and subsidies - other	43	43	43	43	43	43	43	43	43	43	43	43	522	454	473
Other expenditure	7 940	7 940	7 940	7 940	7 940	7 940	7 940	7 940	7 940	7 940	7 940	7 940	95 283	100 972	102 021
<b>Cash Payments by Type</b>	<b>49 778</b>	<b>49 778</b>	<b>49 778</b>	<b>49 778</b>	<b>49 778</b>	<b>49 778</b>	<b>49 778</b>	<b>49 778</b>	<b>49 778</b>	<b>49 778</b>	<b>49 778</b>	<b>49 778</b>	<b>597 331</b>	<b>663 009</b>	<b>685 590</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	5 685	5 685	5 685	5 685	5 685	5 685	5 685	5 685	5 685	5 685	5 685	5 685	68 217	54 336	53 009
Repayment of borrowing	1 700	1 700	1 700	1 700	1 700	1 700	1 700	1 700	1 700	1 700	1 700	1 700	20 400	5 638	–
<b>Total Cash Payments by Type</b>	<b>57 162</b>	<b>57 162</b>	<b>57 162</b>	<b>57 162</b>	<b>57 162</b>	<b>57 162</b>	<b>57 162</b>	<b>57 162</b>	<b>57 162</b>	<b>57 162</b>	<b>57 162</b>	<b>57 162</b>	<b>685 948</b>	<b>722 983</b>	<b>738 599</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>(2 432)</b>	<b>(2 432)</b>	<b>(2 432)</b>	<b>(2 432)</b>	<b>(2 432)</b>	<b>(2 432)</b>	<b>(2 432)</b>	<b>(2 432)</b>	<b>(2 432)</b>	<b>(2 432)</b>	<b>(2 432)</b>	<b>(2 432)</b>	<b>(29 186)</b>	<b>54 392</b>	<b>65 966</b>
Cash/cash equivalents at the month/year begin:	54 438	52 006	49 573	47 141	44 709	42 277	39 845	37 413	34 981	32 548	30 116	27 684	54 438	25 252	79 643
Cash/cash equivalents at the month/year end:	52 006	49 573	47 141	44 709	42 277	39 845	37 413	34 981	32 548	30 116	27 684	25 252	25 252	79 643	145 610

## 15 ANNUAL BUDGET AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS

The service delivery and budget implementation plan will be tabled by the Mayor after approving the budget and IDP within 28 working days.

#### 16 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATION

All services to be acquired on contracts are within the MTREF budget allocation. There is no project indicative to spent multi-year and above three years.

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ANNUAL BUDGET 2025/26

	<b>17 CAPITAL EXPENDITURE DETAILS</b>

**17.1 CAPITAL EXPENDITURE ON NEW ASSETS BY ASSET CLASS**

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ANNUAL BUDGET 2025/26

**LIM334 Ba-Phalaborwa - Supporting Table SA34a Capital expenditure on new assets by asset class**

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		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>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>–</b>										
<b>Infrastructure</b>		47 467	45 275	44 070	35 056	35 050	35 050	32 797	39 423	29 400
Roads Infrastructure		–	–	–	25 692	30 652	30 652	29 578	29 599	28 095
<i>Roads</i>		–	–	–	18 792	24 336	24 336	26 099	22 468	28 095
<i>Road Structures</i>		–	–	–	6 900	6 316	6 316	3 478	7 130	–
Storm water Infrastructure		–	15 293	10 032	1 350	1 198	1 198	1 304	1 304	1 304
<i>Drainage Collection</i>		–	–	–	850	850	850	1 304	1 304	1 304
<i>Storm water Conveyance</i>		–	15 293	10 032	500	348	348	–	–	–
Electrical Infrastructure		(304)	–	–	8 014	3 200	3 200	1 915	8 520	–
<i>MV Networks</i>		65	–	–	3 200	3 200	3 200	–	–	–
<i>LV Networks</i>		(369)	–	–	4 814	–	–	–	–	–
<i>Capital Spares</i>		–	–	–	–	–	–	1 915	8 520	–
Solid Waste Infrastructure		47 771	29 982	34 038	–	–	–	–	–	–
<i>Landfill Sites</i>		47 771	29 982	34 038	–	–	–	–	–	–
<b>Community Assets</b>		558	384	39 954	1 938	1 000	1 000	–	–	–
Community Facilities		558	384	–	1 000	1 000	1 000	–	–	–
<i>Cemeteries/Crematoria</i>		558	384	–	1 000	1 000	1 000	–	–	–
Sport and Recreation Facilities		–	–	39 954	938	–	–	–	–	–
<i>Indoor Facilities</i>		–	–	39 954	938	–	–	–	–	–
<b>Computer Equipment</b>		1 068	1 400	1 698	–	–	–	–	–	–
Computer Equipment		1 068	1 400	1 698	–	–	–	–	–	–
<b>Furniture and Office Equipment</b>		–	1 206	767	1 700	1 700	1 700	1 478	1 739	1 913
Furniture and Office Equipment		–	1 206	767	1 700	1 700	1 700	1 478	1 739	1 913
<b>Machinery and Equipment</b>		1 281	2 313	1 343	–	–	–	–	–	8 261
Machinery and Equipment		1 281	2 313	1 343	–	–	–	–	–	8 261

<b><u>Transport Assets</u></b>		5 788	1 365	1 226	1 225	1 225	1 225	–	–	–
Transport Assets		5 788	1 365	1 226	1 225	1 225	1 225	–	–	–
<b><u>Land</u></b>		–	–	–	5 000	5 000	5 000	3 478	8 696	8 696
Land		–	–	–	5 000	5 000	5 000	3 478	8 696	8 696
<b>Total Capital Expenditure on new assets</b>	<b>1</b>	<b>56 162</b>	<b>51 944</b>	<b>89 058</b>	<b>44 918</b>	<b>43 975</b>	<b>43 975</b>	<b>37 754</b>	<b>49 858</b>	<b>48 269</b>

The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.

For 2025/26 financial year the storm water infrastructure is budgeted at R1.3 million, followed by infrastructure electricity at R1.9 million then infrastructure road transport, which is budgeted for R32.8 million for 2025/26 financial year.

The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality.

### **Funding on Capital Assets budget year 2025/26**

The capital programme is funded from grants and transfers – MIG and internally generated funds from the current year’ s collection. For 2025/26 financial year on the MTREF.

#### DETAILED CAPITAL PROGRAMMES MIG CAPITAL PROJECTS

Project Name	Project Description and Location	Ward	Sources of funding	2025/26	2026/27	2027/28
Upgrading of Honeyville to Dinoko Sebera from gravel to tar	Upgrading of road from gravel to block paving	08 & 09	MIG	R9 000 000.00	R9 315 399.00	R0.00
Upgrading of gravel to asphalt from Aubrey carwash via cemetery to Kanana	Upgrading of road from gravel to block paving Makhushane	02	MIG	R7 304 325.24	R6 193 126.76	R0.00
Upgrading of gravel to asphalt street paving from clinic via ZCC ward 2	Upgrading of road from gravel to block paving Kanana	02	MIG	R6 400 000.00	R0.00	R0.00
Installation of stormwater culvert at Shitshitwe culvert	Construction of culvert bridge Phalaborwa area	09	MIG	R4 000 000.00	R8 200 000.00	R0.00
Upgrade of gravel to asphalt from Nkateko high school to Pondo combined school	Upgrading of road from gravel to block paving Lulekani	14	MIG	R8 000 000.00	R0.00	R0.00
Upgrading of Benfarm phase 2	Upgrading of road from gravel to asphalt Majeje	03	MIG	R176 574.76	R0.00	R0.00
Installation of highmast lights in Ba-Phalaborwa	Installation of highmast lights Phalaborwa area	All wards	MIG	R2 202 350.00	R9 797 650.00	R0.00
Installation of precast storm water culverts at Mlambo stream	Construction of stormwater culvert Lulekani	14	MIG	R0.00	R706 873.24	R6 900 000.00
Upgrading of gravel road to asphalt paved road from Maimele street to PMC bus stop & Lulekani graveyard	Upgrading of road from gravel to tar Location: Matikoxikaya	16	MIG	R0.00	R5 861 751.00	R6 738 249.00
Street paving of Mabine to Sobby street	Upgrading of road from gravel to tar Location: Mashishimale	08	MIG	R0.00	R0.00	R18 671 251.00
Procurement of Refuse Compactor Trucks	Procurement of Refuse Compactor Trucks	All Wards	MIG	R0.00	R0.00	R3 000 000.00

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Procurement of TLB	Procurement of TLB	All Wards	MIG	R0.00	R0.00	R2 500 000.00
Procurement of Grader	Procurement of Grader	All Wards	MIG	R0.00	R0.00	R4 000 000.00
<b>Total</b>				<b>R37 083 250.00</b>	<b>R40 074 800.00</b>	<b>R41 809 500.00</b>

**Note: The figures above are VAT inclusive.**

#### **INEP PROJECTS (SALES OF GOODS)**

<b>Project Name</b>	<b>Sources of funding</b>	<b>2025/26</b>
Electrification of 150 household in Majeje phase 03	INEP	R3 850 000.00
Construction of New Substation	INEP	R2 000 000.00
<b>Total</b>		<b>R5 850 000.00</b>

**Note: The figures above are VAT inclusive.**

#### **INTERNALLY FUNDED CAPITAL PROJECTS**

<b>Project Name</b>	<b>Original Budget</b>	<b>Adjusted Budget</b>	<b>Budget Year 2025/26</b>	<b>Budget Year +1 2026/27</b>	<b>Budget Year +2 2027/28</b>
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Construction of over headline from Ext 6 to Spar	3 200 000.00	3 200 000.00			
Construction of trapezoidal concrete drain (160m)at Potgieter stream	850 000.00	850 000.00			
Upgrading of road from gravel to tar: Tambo phase 2	6 719 462.65	6 719 462.65	6 720 000.00	-	-
Establishment cemetery at Gravelotte	1 000 000.00	1 000 000.00			
Development of Phalaborwa new landfill site Phase1	5 000 000.00	5 000 000.00	4 000 000.00	10 000 000.00	10 000 000.00
Procure LDV bakkie for environmental law enforcement	600 000.00	600 000.00			
Procure Roadblock trailer fully fitted	425 000.00	425 000.00			
Procure a trailer for refuse collection enhancement	200 000.00	200 000.00			
Office Furniture & Equipment	1 700 000.00	1 700 000.00	1 700 000.00	2 000 000.00	2 000 000.00
Refurbishment of Namakgale stadium			10 400 000.00		
Upgrading of Honeyville to Dinoko Sebera from gravel to tar			3 761 500.00	3 761 500.00	
Upgrading of gravel to asphalt from Aubrey carwash via cemetery to Kanana			3 052 000.00		
Construction of a Trapezoidal concrete lined stormwater channel, in ward 5 Namakgale			1 500 000.00	1 500 000.00	1 500 000.00
<b>Totals</b>	<b>19 694 462.65</b>	<b>19 694 462.65</b>	<b>31 133 500.00</b>	<b>17 261 500.00</b>	<b>13 500 000.00</b>

The figures above are VAT inclusive.

## 18 . LEGISLATION COMPLIANCE STATUS

The budget compilation has taken into account the following legislative documents.

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- Municipal Finance Management Act (MFMA), Act No.56 of 2003
- Division of Revenue of Act (DoRA) 2025
- The Bill 2022
- Budget Regulations and Circulars
- Asset Management Regulations
- Municipal Systems Act, 2000
- Minimum Competency Levels of Municipal Finance Officers Regulations
- Local Government: Municipal Property Rates Act (MPRA)
- Municipal Budget and Reporting Regulations (MBRR)
- Municipal Standard Charts of Account (mSCOA)

## **19 OTHER SUPPORTING DOCUMENTS**

### **19.1 Supporting details to Budgeted Financial Performance**

**LIM334 Ba-Phalaborwa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'**

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
REVENUE ITEMS:											
Non-exchange revenue by source											
Exchange Revenue											
Total Property Rates	6	148 908	149 893	135 509	210 319	210 319	210 319	176 836	231 351	241 761	247 805
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		(15 510)	(14 818)	(7 769)	(15 612)	(15 612)	(15 612)	(7 285)	(17 173)	(17 946)	(18 395)
Net Property Rates		133 398	135 075	127 740	194 706	194 706	194 706	169 551	214 177	223 815	229 410
Exchange revenue service charges											
Service charges - Electricity	6										
Total Service charges - Electricity		113 307	119 965	119 197	199 357	199 357	199 357	112 720	195 370	205 725	218 459
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)		–	–	(1 487)	(1 441)	(1 441)	(1 441)	(1 220)	(1 413)	(1 488)	(1 580)
Less Cost of Free Basis Services (50 kwh per indigent household per month)		–	–	–	–	–	–	–	–	–	–
Net Service charges - Electricity		113 307	119 965	117 710	197 916	197 916	197 916	111 500	193 957	204 237	216 879
Service charges - Waste Management	6										
Total refuse removal revenue		18 296	18 993	21 257	22 106	22 106	22 106	18 490	20 069	20 972	21 496
Total landfill revenue		–	–	–	–	–	–	–	–	–	–
Less Revenue Foregone (in excess of one removal a week to indigent households)		(213)	(436)	(1 090)	(192)	(192)	(192)	(943)	(175)	(183)	(187)
Less Cost of Free Basis Services (removed once a week to indigent households)		–	–	–	–	–	–	–	–	–	–
Net Service charges - Waste Management		18 082	18 558	20 167	21 914	21 914	21 914	17 547	19 894	20 789	21 309
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	89 825	96 507	97 504	116 294	116 341	116 341	87 084	122 413	130 969	140 047
Pension and UIF Contributions		18 162	19 667	20 031	24 009	23 977	23 977	17 419	25 476	27 244	29 151
Medical Aid Contributions		5 749	9 216	11 457	12 190	12 210	12 210	7 519	12 973	13 881	14 853

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Overtime		6 871	3 844	1 394	4 455	4 382	4 382	1 926	4 656	4 982	5 331
Performance Bonus		7 159	7 952	8 103	9 233	9 231	9 231	6 591	9 808	10 495	11 230
Motor Vehicle Allowance		14 317	14 854	15 736	21 020	21 090	21 090	14 082	22 408	23 977	25 655
Cellphone Allowance		1 442	1 543	1 938	2 004	2 054	2 054	1 567	2 182	2 335	2 499
Housing Allowances		645	727	590	897	994	994	440	1 056	1 130	1 209
Other benefits and allowances		10 662	2 820	1 402	7 148	6 616	6 616	1 248	7 034	7 526	8 053
Payments in lieu of leave		5 571	11 199	8 216	10 170	10 410	10 410	7 398	11 060	11 835	12 663
Long service awards		2 466	(994)	(2 196)	76	76	76	114	–	–	–
Acting and post related allowance		2 810	3 039	3 136	4 381	4 496	4 496	2 803	4 777	5 111	5 469
In kind benefits		–	–	–	–	–	–	–	–	–	–
<b>sub-total</b>	5	<b>165 677</b>	<b>172 122</b>	<b>167 310</b>	<b>211 878</b>	<b>211 878</b>	<b>211 878</b>	<b>148 191</b>	<b>223 845</b>	<b>239 485</b>	<b>256 159</b>
<u>Less: Employees costs capitalised to PPE</u>		–	–	–	–	–	–	–	–	–	–
<b>Total Employee related costs</b>	1	<b>165 677</b>	<b>172 122</b>	<b>167 310</b>	<b>211 878</b>	<b>211 878</b>	<b>211 878</b>	<b>148 191</b>	<b>223 845</b>	<b>239 485</b>	<b>256 159</b>
<b>Depreciation and amortisation</b>											
Depreciation of Property, Plant & Equipment		86 696	74 789	69 028	83 544	83 544	83 544	67 947	87 220	91 145	93 423
Lease amortisation		91	91	91	102	102	102	–	–	–	–
Capital asset impairment		(7)	(27 458)	(26 046)	–	–	–	–	–	–	–
<b>Total Depreciation and amortisation</b>	1	<b>86 780</b>	<b>47 422</b>	<b>43 073</b>	<b>83 646</b>	<b>83 646</b>	<b>83 646</b>	<b>67 947</b>	<b>87 220</b>	<b>91 145</b>	<b>93 423</b>
<b>Bulk purchases - electricity</b>											
Electricity bulk purchases		101 086	93 614	116 160	155 868	153 890	153 890	117 845	150 812	158 805	168 651
<b>Total bulk purchases</b>	1	<b>101 086</b>	<b>93 614</b>	<b>116 160</b>	<b>155 868</b>	<b>153 890</b>	<b>153 890</b>	<b>117 845</b>	<b>150 812</b>	<b>158 805</b>	<b>168 651</b>
<b>Transfers and grants</b>											
Cash transfers and grants		9 854	7 390	10 676	1 076	676	676	214	522	454	473
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–	–
<b>Total transfers and grants</b>	1	<b>9 854</b>	<b>7 390</b>	<b>10 676</b>	<b>1 076</b>	<b>676</b>	<b>676</b>	<b>214</b>	<b>522</b>	<b>454</b>	<b>473</b>
<b>Contracted Services</b>											
Outsourced Services		46 089	23 118	28 006	33 915	31 611	31 611	21 258	27 601	31 440	33 223
Consultants and Professional Services		12 112	10 022	15 740	23 504	23 104	23 104	12 410	18 565	13 058	10 332
Contractors		12 824	15 652	32 083	21 188	28 438	28 438	12 060	22 475	31 667	25 034
<b>Total contracted services</b>		<b>71 025</b>	<b>48 792</b>	<b>75 829</b>	<b>78 607</b>	<b>83 153</b>	<b>83 153</b>	<b>45 728</b>	<b>68 642</b>	<b>76 165</b>	<b>68 589</b>

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<b>Operational Costs</b>	-										
Collection costs		1 158	481	896	1 200	1 350	1 350	1 142	1 217	1 304	1 304
Contributions to 'other' provisions		18 415	(2 598)	(11 427)	1 200	800	800	298	261	261	261
Audit fees		4 698	6 950	7 076	7 500	8 300	8 300	7 674	7 391	7 724	8 048
Other Operational Costs		44 835	51 749	62 413	105 640	104 746	104 746	71 773	78 863	81 902	82 519
<b>Total Operational Costs</b>	1	<b>69 106</b>	<b>56 582</b>	<b>58 958</b>	<b>115 540</b>	<b>115 196</b>	<b>115 196</b>	<b>80 887</b>	<b>87 732</b>	<b>91 191</b>	<b>92 133</b>
<b>Repairs and Maintenance by Expenditure Item</b>	8										
Employee related costs		-	-	-	-	-	-	-	-	-	-
Inventory Consumed (Project Maintenance)		16 792	25 507	27 720	26 035	31 066	31 066	-	26 083	30 186	27 983
Contracted Services		-	-	-	-	-	-	-	-	-	-
Other Expenditure		-	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	9	<b>16 792</b>	<b>25 507</b>	<b>27 720</b>	<b>26 035</b>	<b>31 066</b>	<b>31 066</b>	<b>-</b>	<b>26 083</b>	<b>30 186</b>	<b>27 983</b>
<b>Inventory Consumed</b>											
Inventory Consumed - Water		-	-	-	-	-	-	(37 669)	-	-	-
Inventory Consumed - Other		8 454	8 418	15 174	24 104	25 204	25 204	(8 364)	26 313	27 497	28 184
<b>Total Inventory Consumed &amp; Other Material</b>		<b>8 454</b>	<b>8 418</b>	<b>15 174</b>	<b>24 104</b>	<b>25 204</b>	<b>25 204</b>	<b>(46 033)</b>	<b>26 313</b>	<b>27 497</b>	<b>28 184</b>

## b. Matrix Financial Performance

**LIM334 Ba-Phalaborwa - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)**

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Description	Ref	Vote 1 - Executive and Councillors	Vote 2 - Budget and Treasury Office	Vote 3 - Corporate Services	Vote 4 - Community and Social Services	Vote 5 - Planning and Development Services	Vote 6 - Technical Services	Total
R thousand	1							
<b>Revenue</b>								
<b>Exchange Revenue</b>								
Service charges - Electricity		–	(1 413)	–	–	–	195 370	<b>193 957</b>
Service charges - Waste Management		–	–	–	–	–	19 894	<b>19 894</b>
Sale of Goods and Rendering of Services		–	144	–	309	301	5 239	<b>5 993</b>
Agency services		–	3 671	–	8 261	–	–	<b>11 932</b>
Interest earned from Receivables		–	22	–	–	–	16 746	<b>16 768</b>
Interest earned from Current and Non Current Assets		–	5 351	–	–	–	–	<b>5 351</b>
Rental from Fixed Assets		–	–	349	–	–	–	<b>349</b>
Operational Revenue		–	7 431	–	–	–	1	<b>7 432</b>
<b>Non-Exchange Revenue</b>								
Property rates		–	214 177	–	–	–	–	<b>214 177</b>
Fines, penalties and forfeits		–	–	–	1 306	–	–	<b>1 306</b>
Licences or permits		–	–	–	5 851	–	–	<b>5 851</b>
Transfer and subsidies - Operational		–	220 276	–	–	–	3 758	<b>224 034</b>
Interest		–	43 242	–	–	–	–	<b>43 242</b>
<b>Total Revenue (excluding capital transfers and contributions)</b>		–	<b>492 900</b>	<b>349</b>	<b>15 727</b>	<b>301</b>	<b>241 008</b>	<b>750 286</b>
<b>Expenditure</b>								
Employee related costs		(23 026)	(32 144)	(42 212)	(60 824)	(16 024)	(49 616)	<b>(223 845)</b>
Remuneration of councillors		(19 196)	–	–	–	–	–	<b>(19 196)</b>
Bulk purchases - electricity		–	–	–	–	–	(150 812)	<b>(150 812)</b>
Inventory consumed		(192)	(4 725)	(629)	(1 911)	(50)	(18 806)	<b>(26 313)</b>
Debt impairment		–	(87 127)	–	–	–	(23 015)	<b>(110 142)</b>
Depreciation and amortisation		–	(20 906)	(4 544)	(11 434)	–	(50 336)	<b>(87 220)</b>
Interest		–	(20 722)	–	–	–	–	<b>(20 722)</b>
Contracted services		(23 700)	(4 567)	(9 419)	(6 740)	(9 907)	(14 309)	<b>(68 642)</b>
Transfers and subsidies		–	–	(522)	–	–	–	<b>(522)</b>
Operational costs		(14 182)	(21 913)	(22 497)	(7 873)	(3 907)	(17 361)	<b>(87 732)</b>
<b>Total Expenditure</b>		<b>(80 295)</b>	<b>(192 104)</b>	<b>(79 823)</b>	<b>(88 781)</b>	<b>(29 887)</b>	<b>(324 255)</b>	<b>(795 146)</b>
<b>Surplus/(Deficit)</b>		<b>80 295</b>	<b>685 004</b>	<b>80 172</b>	<b>104 508</b>	<b>30 189</b>	<b>565 262</b>	<b>(44 860)</b>
Transfers and subsidies - capital (monetary allocations)		–	–	–	–	–	37 083	<b>37 083</b>
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>80 295</b>	<b>685 004</b>	<b>80 172</b>	<b>104 508</b>	<b>30 189</b>	<b>602 345</b>	<b>(7 777)</b>

### c. Supporting Details to Budgeted Financial Position

#### LIM334 Ba-Phalaborwa - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

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Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
ASSETS											
Trade and other receivables from exchange transactions											
Electricity		78 505	86 684	70 920	240 482	108 453	108 453	88 162	142 830	246 872	248 813
Water		947 544	1 217 092	1 404 351	-	-	-	1 371 037	-	-	-
Waste		133 011	175 671	188 352	206 278	210 320	210 320	206 754	211 284	216 753	217 350
Waste Water		150 232	199 143	265 636	12 706	12 706	12 706	299 635	11 534	12 054	12 355
Other trade receivables from exchange transactions		218 661	9 374	31 330	(11 350)	14 485	14 485	7 190	22 177	(8 008)	(8 465)
Gross: Trade and other receivables from exchange transactions		1 527 953	1 687 964	1 960 590	448 115	345 964	345 964	1 972 778	387 826	467 671	470 053
Less: Impairment for debt		(285 500)	(157 815)	(233 524)	(186 252)	(255 598)	(255 598)	(233 524)	(256 568)	(195 811)	(196 412)
Impairment for Electricity		(45 066)	(49 936)	(70 438)	(69 212)	(87 267)	(87 267)	(70 438)	(88 008)	(73 153)	(73 612)
Impairment for Waste		(116 180)	(101 200)	(151 669)	(111 374)	(156 885)	(156 885)	(151 669)	(157 115)	(116 732)	(116 875)
Impairment for other trade receivalbes from exchange transactions		(124 253)	(6 679)	(11 416)	(5 665)	(11 446)	(11 446)	(11 416)	(11 446)	(5 925)	(5 925)
Total net Trade and other receivables from Exchange Transactions		1 242 453	1 530 149	1 727 066	261 864	90 365	90 365	1 739 254	131 258	271 860	273 641
Receivables from non-exchange transactions											
Property rates		525 630	642 485	600 427	444 969	631 234	631 234	783 818	624 788	678 386	695 463
Less: Impairment of Property rates		(436 805)	(370 299)	(551 167)	(114 624)	(582 645)	(582 645)	(551 167)	(586 317)	(603 651)	(606 927)
Net Property rates		88 824	272 186	49 261	330 345	48 590	48 590	232 651	38 471	74 735	88 536
Other receivables from non-exchange transactions		31 450	1 333	1 605	32 859	-	-	3 022	196	34 575	34 580
Impairment for other receivalbes from non-exchange transactions		(30 683)	-	(1 605)	(32 831)	-	-	(1 605)	-	(34 341)	(34 341)
Net other receivables from non-exchange transactions		767	1 333	-	28	-	-	1 417	196	234	239
Total net Receivables from non-exchange transactions		89 591	273 519	49 261	330 373	48 590	48 590	234 068	38 667	74 969	88 775
Inventory											
Consumables											
Standard Rated											
Opening Balance		-	(8 591)	(19 869)	-	-	-	(38 952)	-	-	-

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Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues	7	(8 591)	(11 278)	(19 083)	(1 479)	(1 479)	(1 479)	8 364	(1 545)	(1 614)	(1 654)
<b>Closing balance - Consumables Standard Rated</b>		<b>(8 591)</b>	<b>(19 869)</b>	<b>(38 952)</b>	<b>(1 479)</b>	<b>(1 479)</b>	<b>(1 479)</b>	<b>(30 588)</b>	<b>(1 545)</b>	<b>(1 614)</b>	<b>(1 654)</b>
<b>Materials and Supplies</b>											
<b>Opening Balance</b>		<b>21 631</b>	<b>29 945</b>	<b>40 794</b>	<b>20 926</b>	<b>15 481</b>	<b>15 481</b>	<b>55 982</b>	<b>15 481</b>	<b>22 076</b>	<b>23 291</b>
Acquisitions		8 772	8 394	11 504	24 104	25 204	25 204	12 275	26 313	27 491	28 184
Issues	7	137	2 859	3 909	(22 624)	(23 724)	(23 724)	0	(24 768)	(25 883)	(26 530)
Adjustments	8	(12)	(44)	(16)	–	–	–	–	–	–	–
Write-offs	9	(582)	(360)	(210)	–	–	–	–	–	–	–
Correction of Prior period errors		–	–	–	–	–	–	–	–	–	–
<b>Closing balance - Materials and Supplies</b>		<b>29 945</b>	<b>40 794</b>	<b>55 982</b>	<b>22 405</b>	<b>16 961</b>	<b>16 961</b>	<b>68 257</b>	<b>17 026</b>	<b>23 685</b>	<b>24 945</b>
<b>Closing Balance - Housing Stock</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Land</b>											
Opening Balance		–	–	–	–	1 549	1 549	–	1 549	–	–
<b>Closing Balance - Land</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 549</b>	<b>1 549</b>	<b>–</b>	<b>1 549</b>	<b>–</b>	<b>–</b>
<b>Closing Balance - Inventory &amp; Consumables</b>		<b>21 354</b>	<b>20 926</b>	<b>17 030</b>	<b>20 926</b>	<b>17 030</b>	<b>17 030</b>	<b>75 339</b>	<b>17 030</b>	<b>22 070</b>	<b>23 291</b>
<b>Property, plant and equipment (PPE)</b>											
PPE at cost/valuation (excl. finance leases)		1 552 602	1 589 319	1 646 483	2 075 165	2 049 504	2 049 504	1 674 160	2 053 844	2 557 766	2 577 121
Leases recognised as PPE	3	–	–	–	–	–	–	–	–	–	–
Less: Accumulated depreciation		844 383	888 258	929 960	1 253 741	1 273 634	1 273 634	997 907	1 275 014	1 465 059	1 481 202
<b>Total Property, plant and equipment (PPE)</b>	<b>2</b>	<b>708 218</b>	<b>701 061</b>	<b>716 522</b>	<b>821 424</b>	<b>775 870</b>	<b>775 870</b>	<b>676 253</b>	<b>778 830</b>	<b>1 092 708</b>	<b>1 095 919</b>
<b>LIABILITIES</b>											
<b>Current liabilities - Borrowing</b>											
Short term loans (other than bank overdraft)		15 459	16 516	17 809	(3 074)	(2 591)	(2 591)	18 241	5 638	12 485	18 123
Current portion of long-term liabilities		923	1 152	2 313	1 208	2 313	2 313	2 313	2 313	1 264	1 264
<b>Total Current liabilities - Borrowing</b>		<b>16 382</b>	<b>17 668</b>	<b>20 122</b>	<b>(1 866)</b>	<b>(278)</b>	<b>(278)</b>	<b>20 554</b>	<b>7 951</b>	<b>13 749</b>	<b>19 386</b>
<b>Trade and other payables</b>											
Trade and other payables from exchange transactions	5	1 674 435	1 798 611	1 959 313	445 755	388 271	388 271	2 040 458	383 902	434 205	434 207
Other trade payables from exchange transactions		–	(848)	2 027	–	–	–	–	–	–	–
Trade payables from Non-exchange transactions: Unspent conditional Grants		918	0	340	–	340	340	20 222	–	–	–

Trade payables from Non-exchange transactions: Other		–	–	–	–	–	–	–	–	–	–
VAT		46 738	91 756	121 310	56 302	47 067	47 067	154 018	82 760	96 424	98 493
<b>Total Trade and other payables</b>	2	<b>1 722 092</b>	<b>1 889 520</b>	<b>2 082 991</b>	<b>502 057</b>	<b>435 678</b>	<b>435 678</b>	<b>2 214 698</b>	<b>466 662</b>	<b>530 629</b>	<b>532 699</b>
<b><u>Non current liabilities - Financial liabilities</u></b>											
Borrowing	4	57 377	42 561	24 752	44 646	24 752	24 752	7 691	24 752	46 700	46 700
Other financial liabilities		3 654	3 257	1 110	3 438	1 132	1 132	(1 110)	1 132	3 597	3 597
<b>Total Non current liabilities - Financial liabilities</b>		<b>61 031</b>	<b>45 818</b>	<b>25 862</b>	<b>48 085</b>	<b>25 884</b>	<b>25 884</b>	<b>6 580</b>	<b>25 884</b>	<b>50 297</b>	<b>50 297</b>
<b><u>Provisions - non-current</u></b>											
Retirement benefits		53 631	49 929	58 440	44 080	51 407	51 407	58 440	51 407	46 108	46 108
Refuse landfill site rehabilitation		103 193	107 046	106 867	112 292	106 867	106 867	106 867	106 867	117 457	117 457
Other		–	(853)	(262)	7 400	6 770	6 770	(262)	6 770	7 740	7 740
<b>Total Provisions non-current</b>		<b>156 824</b>	<b>156 122</b>	<b>165 045</b>	<b>163 772</b>	<b>165 045</b>	<b>165 045</b>	<b>165 045</b>	<b>165 045</b>	<b>171 305</b>	<b>171 305</b>
<b>CHANGES IN NET ASSETS</b>											
<b><u>Accumulated surplus/(deficit)</u></b>											
Accumulated surplus/(deficit) - opening balance		–	488 305	883 933	1 212 897	855 274	855 274	(847 906)	849 681	1 321 372	1 399 451
GRAP adjustments		–	–	–	–	–	–	–	–	–	–
Restated balance		–	488 305	883 933	1 212 897	855 274	855 274	(847 906)	849 681	1 321 372	1 399 451
Surplus/(Deficit)		(10 357)	157 484	(163 795)	(41 469)	(44 051)	(44 051)	97 062	(7 777)	(21 591)	(21 080)
Other adjustments		449 035	201 034	18 783	–	–	–	10	–	–	–
<b>Accumulated Surplus/(Deficit)</b>	1	<b>438 677</b>	<b>846 823</b>	<b>738 920</b>	<b>1 171 428</b>	<b>811 223</b>	<b>811 223</b>	<b>(750 834)</b>	<b>841 905</b>	<b>1 299 781</b>	<b>1 378 372</b>
<b><u>Reserves</u></b>											
Revaluation	-	38 072	12 193	6 642	12 790	12 193	12 193	6 642	12 193	13 379	13 379
<b>Total Reserves</b>	2	<b>38 072</b>	<b>12 193</b>	<b>6 642</b>	<b>12 790</b>	<b>12 193</b>	<b>12 193</b>	<b>6 642</b>	<b>12 193</b>	<b>13 379</b>	<b>13 379</b>
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>476 750</b>	<b>859 015</b>	<b>745 563</b>	<b>1 184 218</b>	<b>823 416</b>	<b>823 416</b>	<b>(744 192)</b>	<b>854 098</b>	<b>1 313 160</b>	<b>1 391 750</b>

d. The municipality has no entities.

#### e. Reconciliation of transfers, Grant Receipts and Unspent Funds

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ANNUAL BUDGET 2025/26

**LIM334 Ba-Phalaborwa - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds**

Description  R thousand	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>Operating transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year										
Current year receipts		13,667	6,095	8,570	6,626	6,626	6,626	6,758	10,109	5,301
Repayment of grants										
<b>Conditions met - transferred to revenue</b>		<b>193,595</b>	<b>201,865</b>	<b>223,924</b>	<b>229,838</b>	<b>229,499</b>	<b>229,499</b>	<b>230,792</b>	<b>237,357</b>	<b>237,547</b>
Conditions still to be met - transferred to liabilities		(179,928)	(195,770)	(215,354)	(223,212)	(222,873)	(222,873)	(224,034)	(227,248)	(232,247)
<b>Total operating transfers and grants revenue</b>		<b>193,595</b>	<b>201,865</b>	<b>223,924</b>	<b>229,838</b>	<b>229,499</b>	<b>229,499</b>	<b>230,792</b>	<b>237,357</b>	<b>237,547</b>
<b>Total operating transfers and grants - CTBM</b>	2	<b>(179,928)</b>	<b>(195,770)</b>	<b>(215,354)</b>	<b>(223,212)</b>	<b>(222,873)</b>	<b>(222,873)</b>	<b>(224,034)</b>	<b>(227,248)</b>	<b>(232,247)</b>
<b>Capital transfers and grants:</b>	1,3									
<b>National Government:</b>										
Current year receipts		45,376	42,377	50,950	40,098	35,284	35,284	37,083	40,075	41,810
<b>Conditions met - transferred to revenue</b>		<b>(3,835)</b>	<b>(1,097)</b>	<b>1,885</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities		49,212	43,474	49,065	40,098	35,284	35,284	37,083	40,075	41,810
Current year receipts		45,376	42,377	50,950	40,098	35,284	35,284	37,083	40,075	41,810
<b>Conditions met - transferred to revenue</b>		<b>45,376</b>	<b>42,377</b>	<b>50,950</b>	<b>40,098</b>	<b>35,284</b>	<b>35,284</b>	<b>37,083</b>	<b>40,075</b>	<b>41,810</b>
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Total capital transfers and grants revenue</b>		<b>41,541</b>	<b>41,280</b>	<b>52,835</b>	<b>40,098</b>	<b>35,284</b>	<b>35,284</b>	<b>37,083</b>	<b>40,075</b>	<b>41,810</b>
<b>Total capital transfers and grants - CTBM</b>	2	<b>49,212</b>	<b>43,474</b>	<b>49,065</b>	<b>40,098</b>	<b>35,284</b>	<b>35,284</b>	<b>37,083</b>	<b>40,075</b>	<b>41,810</b>
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		<b>235,136</b>	<b>243,145</b>	<b>276,759</b>	<b>269,936</b>	<b>264,783</b>	<b>264,783</b>	<b>267,875</b>	<b>277,432</b>	<b>279,357</b>
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		<b>(130,717)</b>	<b>(152,296)</b>	<b>(166,289)</b>	<b>(183,114)</b>	<b>(187,589)</b>	<b>(187,589)</b>	<b>(186,951)</b>	<b>(187,173)</b>	<b>(190,437)</b>

**f. Future Financial Implications**


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- The municipality has no programmes above the three-year budgeting cycle.

#### **g. Projects Delayed from Previous Financial Years**

- No project delays from the previous financial year.

#### **Other supporting tables**

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ANNUAL BUDGET 2025/26

**LIM334 Ba-Phalaborwa - 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>R thousand</b>	<b>1</b>									
<b><u>Repairs and maintenance expenditure by Asset Class/Sub-class</u></b>										
<b>–</b>										
<b><u>Infrastructure</u></b>		<b>9 953</b>	<b>16 730</b>	<b>22 420</b>	<b>17 663</b>	<b>21 989</b>	<b>21 989</b>	<b>17 486</b>	<b>21 323</b>	<b>19 008</b>
Roads Infrastructure		5 481	5 317	8 095	12 950	14 450	14 450	9 569	12 530	12 735
<i>Roads</i>		5 481	5 317	8 095	12 950	14 450	14 450	9 569	12 530	12 735
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		4 371	7 952	11 270	3 000	3 556	3 556	5 000	5 744	3 149
<i>HV Substations</i>		–	–	–	–	–	–	1 609	–	–
<i>MV Substations</i>		4 371	7 952	11 270	–	556	556	522	527	540
<i>MV Networks</i>		–	–	–	–	–	–	1 130	2 609	–
<i>LV Networks</i>		–	–	–	3 000	3 000	3 000	1 739	2 609	2 609
<i>Capital Spares</i>		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	3 415	2 728	1 213	3 213	3 213	2 917	3 048	3 124
<i>Landfill Sites</i>		–	3 415	2 728	1 213	3 213	3 213	2 917	3 048	3 124
Information and Communication Infrastructure		100	47	326	500	770	770	–	–	–
<i>Core Layers</i>		100	47	326	500	770	770	–	–	–
<b><u>Community Assets</u></b>		<b>295</b>	<b>378</b>	<b>63</b>	<b>1 573</b>	<b>1 448</b>	<b>1 448</b>	<b>1 870</b>	<b>1 802</b>	<b>1 815</b>
Community Facilities		273	378	63	1 373	1 248	1 248	1 870	1 802	1 815
<i>Halls</i>		196	3	62	650	675	675	565	498	511
<i>Cemeteries/Crematoria</i>		77	375	1	723	573	573	1 304	1 304	1 304
Sport and Recreation Facilities		22	–	–	200	200	200	–	–	–
<i>Indoor Facilities</i>		22	–	–	200	200	200	–	–	–
<b><u>Other assets</u></b>		<b>50</b>	<b>60</b>	<b>–</b>	<b>400</b>	<b>200</b>	<b>200</b>	<b>–</b>	<b>–</b>	<b>–</b>
Operational Buildings		50	60	–	400	200	200	–	–	–
<i>Building Plan Offices</i>		–	–	–	400	200	200	–	–	–
<b><u>Furniture and Office Equipment</u></b>		<b>225</b>	<b>546</b>	<b>28</b>	<b>380</b>	<b>400</b>	<b>400</b>	<b>130</b>	<b>217</b>	<b>174</b>
Furniture and Office Equipment		225	546	28	380	400	400	130	217	174

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<b><u>Machinery and Equipment</u></b>		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
<b><u>Transport Assets</u></b>		6 268	7 793	5 210	6 018	7 029	7 029	6 597	6 843	6 986
Transport Assets		6 268	7 793	5 210	6 018	7 029	7 029	6 597	6 843	6 986
<b>Total Repairs and Maintenance Expenditure</b>	<b>1</b>	<b>16 792</b>	<b>25 507</b>	<b>27 720</b>	<b>26 035</b>	<b>31 066</b>	<b>31 066</b>	<b>26 083</b>	<b>30 186</b>	<b>27 983</b>

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**LIM334 Ba-Phalaborwa - Supporting Table SA34d Depreciation by asset class**

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ANNUAL BUDGET 2025/26

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b><u>Depreciation by Asset Class/Sub-class</u></b>										
–										
<b><u>Infrastructure</u></b>		<b>55 075</b>	<b>40 428</b>	<b>43 066</b>	<b>48 626</b>	<b>48 626</b>	<b>48 626</b>	<b>50 765</b>	<b>53 050</b>	<b>54 376</b>
Roads Infrastructure		1 585	40 403	32 731	35 262	35 262	35 262	36 814	38 470	39 432
<i>Roads</i>		1 585	40 403	32 731	9 024	9 024	9 024	9 421	9 845	10 091
<i>Road Structures</i>		–	–	–	390	390	390	408	426	437
<i>Road Furniture</i>		–	–	–	25 848	25 848	25 848	26 985	28 200	28 905
<i>Capital Spares</i>		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		45 541	25	2 163	2 997	2 997	2 997	3 129	3 270	3 352
<i>Drainage Collection</i>		–	–	–	21	21	21	22	23	24
<i>Storm water Conveyance</i>		45 541	25	2 163	2 976	2 976	2 976	3 107	3 247	3 328
<i>Attenuation</i>		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		7 949	–	8 173	10 366	10 366	10 366	10 822	11 309	11 592
<i>MV Substations</i>		–	–	8 173	4 960	4 960	4 960	5 179	5 412	5 547
<i>MV Switching Stations</i>		–	–	–	281	281	281	293	306	314
<i>MV Networks</i>		7 949	–	–	4 456	4 456	4 456	4 652	4 861	4 983
<i>LV Networks</i>		–	–	–	669	669	669	699	730	748
<i>Capital Spares</i>		–	–	–	–	–	–	–	–	–
<b><u>Community Assets</u></b>		<b>12 860</b>	<b>12 914</b>	<b>11 114</b>	<b>13 759</b>	<b>13 759</b>	<b>13 759</b>	<b>14 364</b>	<b>15 010</b>	<b>15 386</b>
Community Facilities		12 860	12 914	11 114	11 016	11 016	11 016	11 500	12 018	12 318
<i>Halls</i>		–	–	–	315	315	315	329	344	353
<i>Libraries</i>		12 860	4	11 114	–	–	–	–	–	–
<i>Cemeteries/Crematoria</i>		–	–	–	63	63	63	66	69	71
<i>Public Ablution Facilities</i>		–	12 909	–	10 637	10 637	10 637	11 105	11 605	11 895
Sport and Recreation Facilities		–	–	–	2 743	2 743	2 743	2 864	2 993	3 067
<i>Indoor Facilities</i>		–	–	–	–	–	–	–	–	–
<i>Outdoor Facilities</i>		–	–	–	2 743	2 743	2 743	2 864	2 993	3 067
Capital Spares		–	–	–	–	–	–	–	–	–

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<b><u>Other assets</u></b>		<b>16 606</b>	<b>16 606</b>	<b>10 365</b>	<b>13 778</b>	<b>13 778</b>	<b>13 778</b>	<b>14 384</b>	<b>15 031</b>	<b>15 407</b>
Operational Buildings		16 606	16 606	10 365	13 778	13 778	13 778	14 384	15 031	15 407
<i>Municipal Offices</i>		16 606	16 606	10 365	13 778	13 778	13 778	14 384	15 031	15 407
<b><u>Intangible Assets</u></b>		91	91	91	102	102	102	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		91	91	91	102	102	102	–	–	–
<i>Computer Software and Applications</i>		91	91	91	102	102	102	–	–	–
<b><u>Computer Equipment</u></b>		445	877	852	1 598	1 598	1 598	1 668	1 743	1 787
Computer Equipment		445	877	852	1 598	1 598	1 598	1 668	1 743	1 787
<b><u>Furniture and Office Equipment</u></b>		288	314	479	778	778	778	812	849	870
Furniture and Office Equipment		288	314	479	778	778	778	812	849	870
<b><u>Machinery and Equipment</u></b>		483	1 035	861	1 976	1 976	1 976	2 063	2 156	2 210
Machinery and Equipment		483	1 035	861	1 976	1 976	1 976	2 063	2 156	2 210
<b><u>Transport Assets</u></b>		938	2 615	2 290	3 030	3 030	3 030	3 163	3 306	3 388
Transport Assets		938	2 615	2 290	3 030	3 030	3 030	3 163	3 306	3 388
<b>Total Depreciation</b>	<b>1</b>	<b>86 787</b>	<b>74 880</b>	<b>69 119</b>	<b>83 646</b>	<b>83 646</b>	<b>83 646</b>	<b>87 220</b>	<b>91 145</b>	<b>93 423</b>

**LIM334 Ba-Phalaborwa - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class**

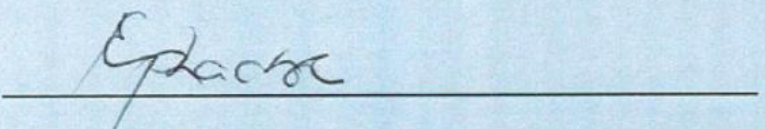


Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>	<b>1</b>									
<b><u>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</u></b>										
<b><u>Infrastructure</u></b>		(6)	–	51 703	4 037	167	167	12 522	–	–
Roads Infrastructure		(6)	–	51 703	4 037	167	167	12 522	–	–
Roads		(6)	–	–	4 037	167	167	12 522	–	–
Road Structures		–	–	51 703	–	–	–	–	–	–
<b><u>Community Assets</u></b>		(117)	–	–	10 837	10 837	10 837	9 043	–	–
Community Facilities		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		(117)	–	–	10 837	10 837	10 837	9 043	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		(117)	–	–	10 837	10 837	10 837	9 043	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
<b><u>Heritage assets</u></b>		–	36	–	–	–	–	–	–	–
Monuments		–	36	–	–	–	–	–	–	–
<b>Total Capital Expenditure on upgrading of existing assets</b>	<b>1</b>	<b>(123)</b>	<b>36</b>	<b>51 703</b>	<b>14 875</b>	<b>11 004</b>	<b>11 004</b>	<b>21 565</b>	<b>–</b>	<b>–</b>
<b><u>Upgrading of Existing Assets as % of total capex</u></b>		<b>-0.2%</b>	<b>0.1%</b>	<b>36.7%</b>	<b>24.9%</b>	<b>20.0%</b>	<b>20.0%</b>	<b>36.4%</b>	<b>0.0%</b>	<b>0.0%</b>
<b><u>Upgrading of Existing Assets as % of deprecn"</u></b>		<b>-0.1%</b>	<b>0.0%</b>	<b>74.8%</b>	<b>17.8%</b>	<b>13.2%</b>	<b>13.2%</b>	<b>24.7%</b>	<b>0.0%</b>	<b>0.0%</b>

**LIM334 Ba-Phalaborwa - Supporting Table SA35 Future financial implications of the capital budget**

Vote Description  R thousand	Ref	2025/26 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Present value
<b>Capital expenditure</b>	1							
Vote 1 - Executive and Councillors		–	–	–				
Vote 2 - Budget and Treasury Office		–	–	–				
Vote 3 - Corporate Services		1 478	1 739	1 913				
Vote 4 - Community and Social Services		3 478	8 696	8 696				
Vote 5 - Planning and Development Services		–	–	–				
Vote 6 - Technical Services		54 362	39 423	37 660				
<b>Total Capital Expenditure</b>		<b>59 319</b>	<b>49 858</b>	<b>48 269</b>	–	–	–	–
<b>Total future revenue</b>		–	–	–	–	–	–	–
<b>Net Financial Implications</b>		<b>59 319</b>	<b>49 858</b>	<b>48 269</b>	–	–	–	–

## MUNICIPAL MANAGER'S QUALITY CERTIFICATION

QUALITY CERTIFICATE	
I <b>MS MOTLALEPULA E MPHACHOE</b> , Acting Municipal Manager of <b>BA-PHALABORWA MUNICIPALITY</b> , hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act 53 of 2003 and regulations made under the act, and that the annual budget and supporting documents made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.	
Print Name:	
Municipal Manager:	<b>Ba-Phalaborwa Municipality (LIM334)</b>
Signature:	
Date:	