Hessequa Municipality

1ST ADJUSTMENT BUDGET 2025/2026

Table of Contents

Glossary

Adjustments Budget – Prescribed in Section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Budget – The financial plan of the Municipality

Capital Expenditure – Spending on assets such as infrastructure, land & buildings minor assets etc. Any capital expenditure must be reflected as an asset on the Municipality's statement of Financial position.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable share – An unconditional grant paid to municipalities. It is predominantly targeted towards funding the Indigent Policy.

FMG – Financial Management Grant **GFS –** Government Finance Statistics. An internationally recognized classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognized Accounting Practice. The standard for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality.

MBRR - Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations.

MFMA – Local Government: Municipal Finance Management Act (56/2003). The principle legislation relating to municipal financial management.

MIG – Municipal Infrastructure Grant.

MTREF - Medium Term Revenue and Expenditure Framework (MTREF). The medium term financial plan, usually 3 years, based on fixed first year and indicative further two years' budget allocations. Also includes financial information of the previous and current year.

NDPG – Neighborhood Development Partnership Grant.

Operating expenditure – Spending on the day-to-day expenses of the Municipality such as salaries and wages, repairs, and maintenance etc.

Rates – Local Government tax based on the assessed value of property. To determine the rates payable, the assessed ratable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan (SDBIP). A detailed plan comprising annual and quarterly performance information.

Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Vote – A main appropriation segment of the budget. In Hessequa Municipality this relates to the directorate level for operating expenditure and capital expenditure.

YTD – Year to date

Legislative Requirements

This report has been prepared in terms of the following enabling legislation.

The Municipal Finance Management Act

Municipal adjustments budgets
(1) A municipality may revise an approved annual budget through an adjustments budget.
(2) An adjustments budget—
(a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during
the current year;
(b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget
but only to revise or accelerate spending programmes already budgeted for;
(c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor
of the municipality;
(d) may authorise the utilisation of projected savings in one vote towards spending under another vote
(e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending
could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current
year was approved by the council;
(f) may correct any errors in the annual budget; and
(g) may provide for any other expenditure within a prescribed framework.
(3) An adjustments budget must be in a prescribed form.
(4) Only the mayor may table an adjustments budget in the municipal council, but an adjustments budget in terms of subsection
(2)(b) to (g) may only be tabled within any prescribed limitations as to timing or frequency
(5) When an adjustments budget is tabled, it must be accompanied by—
(a) an explanation how the adjustments budget affects the annual budget;
(b) a motivation of any material changes to the annual budget;
(c) an explanation of the impact of any increased spending on the annual budget and the annual budgets for the next two
financial years; and
(d) any other supporting documentation that may be prescribed.
(6) Municipal tax and tariffs may not be increased during a financial year except when required in terms of a financial recovery
plan.
(7) Sections 22(b), 23(3) and 24(3) apply in respect of an adjustments budget, and in such application a reference in those
sections to an annual budget must be read as a reference to an adjustments budget.

Local Government: Municipal Finance Management Act,2003: Municipal Budget and Reporting Regulations

An adjustments budget and supporting documentation of a municipality must be in a format specified in Schedule B and include
all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of
section 168(1) of the Act
Funding of adjustments budgets
(1) An adjustments budget of a municipality must be appropriately funded.
(2) The supporting documentation to accompany an adjustments budget in terms of section 28(5)of the Act must contain an
explanation of how the adjustments budget is funded.
Submission of tabled adjustments budgets
(1) The municipal manager must comply with section 28(7) of the Act, read together with section 22(b)(i) of the Act, read
together with section 22(b)(i) of the Act, within ten working days after the mayor has tabled an adjustments budget in the
municipal council.
(2) When submitting the tabled adjustments budget to the National Treasury and the relevant provincial treasury in terms of
section 28(7) of the Act, the municipal manager must submit in both printed and electronic form-
(a) the supporting documentation referred to in section 28(5) of the Act within ten working days of the adjustments budget
being tabled in the municipal council; and
(b) any other information as may be required by the National Treasury
(3) The municipal manager must send copies of an adjustments budget and supporting documentation, in both printed form
and electronically
(a) any other municipality effected by that adjustments budget within ten working days of the adjustments budget being tabled
in the municipal council; and
(b) any other organ of state on receipt of a request from that organ of state

Section 1 – Mayor's Report

This report has been prepared in terms of the Local Government: Municipal Finance Management Act,2003 and the Municipal Budget and Reporting Regulations, Government 32141,17 April 2009.

The mayor's report accompanying an adjustments budget must provide:

(a) A summary of the reasons for the adjustments budget having regard to the material variances highlighted in the latest monthly budget statement including at least the following where applicable:
   i. New allocations of cash backed accumulated funds
   ii. Multi- year funds shifting in relation to the capital programme
   iii. Unforeseen and unavoidable expenditure; and
   iv. Allocations and grant adjustments

(b) A recommendation that the municipal council approves the adjustment budget

(c) A recommendation that the municipal council approves the revision to the service delivery targets and performance indicators in the service delivery and implementation plan if applicable; and

(d) Any other information considered relevant by the mayor.

Section 28 (2)(e) of the MFMA states the following:

"(2) An adjustments budget –

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

Section 23 (5) of the MBRR states the following:

"(5) An adjustments budget referred to in section 28(2)(e) of the Act may only be tabled after the end of the financial year to which the roll-overs relate, and must be approved by the municipal council by 25 August of the financial year following the financial year to which roll-overs relate."

The reason for the 1st adjustments budget is to bring the relevant projects relating to 2024/25, as approved for rollover to 2025/2026, onto the 2025/2026 budget, in accordance with Section 28(2)(e) of the MFMA and Section 23(5) of the MBRR.

It should be noted that:

- No new allocations of cash backed accumulated funds are made. The funds are rolled over from the previous financial year to fund projects from the Capital Replacement Reserve.
- No multi- year funds shifting in relation to the capital programme with the approval of this adjustment budget
- No Unforeseen and unavoidable expenditure with the approval of this adjustment budget
- No new allocations or adjustment to grants with the approval of this adjustment budget
- No tariffs will be impacted with the approval of this adjustment budget

Requests for rollover was received for the following five projects:

1. New Motor Vehicle Registration Service in Albertinia- R43 878
2. New Motor Vehicle Registration Service in Still Bay- R100 000
3. Refurbishment of Areation Tanks at Still Bay Waste Water Treatment Works- R1 501 468
4. Upgrading Thusong Centre Braai Area to Waiting Are- R51 576
5. Extention Ladder IVECO- R/D- Fire- R35 000
6. 2X Fire Fighting trailers with Bakkie Sakkies- R200 000

Motivations for the rollover of the internally funded projects from 2024/2025 to 2025/2026 are as follows:

- A change in the requirements for the layout of the new motor vehicle registration services in Albertinia and Still Bay and the subsequent delays in reaching consensus meant that only a portion of these projects were completed by 30 June 2025.
- A delay in the delivery of the areators for Still Bay Waste Water Treatment Works.
- A delay with the installation of airconditioners at the Thusong Centre due to internal difficulties experienced by the supplier.
- Started the process but could not complete the procurement of the extention ladder for the fire department due to the quote received from the NFPA compliant bidder being more than the budget. An extention ladder plays a vital role in firefighting operations, especially in the rescue of individuals trapped on the upper levels of buildings during fire incidents.
- Unsuccessful bidding processes relating to delivery timeframes in respect of the Bakkie Sakkies.

Refer to the Roll-over documentation for all rollover requests and motivations per project.

Complete detail is provided in Annexures B (Capital Budget)

It is hereby recommended that Council approve the 1st Adjustment Budget for 2025/2026 as per the recommended council resolutions in Section 2 of this report and as per the item submitted to Council.

It is hereby also recommended that Council Approve the adjustment to the Service Delivery Targets and Performance Indicators in the Service Delivery and Budget Implementation Plan (SDBIP) if applicable.

Section 2 – Resolutions

Resolutions

Resolutions dealing with at least the following matters must be prepared and presented as part of the adjustments budget documentation:

(a) Approval of the adjustments budget
(b) Approval of any adjustments permitted in terms of section 28(2) of the Act
(c) Approval of the transfer of funds to a separate bank account for purposes contemplated in section 12 of the Act
(d) Approval of revisions to the monthly and quarterly service delivery targets and performance indicators in the service delivery and budget implementation plan (SDBIP), if any, to correspond with the approval of the adjustments budget, and

(e) Approval of any adjustment budget-related policies necessitated by the adjustments budget.

This is the resolution that will be presented to Council when the 1st Adjustment Budget is tabled:

Recommendation

1. That the capital budget is increased by R1 731 922 from R187 628 300 to R189 360 2222
2. That the capital budget is financed as follows:

	R
External Loans	50 000 000
Capital Replacement Reserve	77 218 822
Transfers & Subsidies	62 341 400
Public Donations	0
	189 560 222

3. That all amendments in Annexure B be approved
4. That the Service Delivery and Budget Implementation Plan (SDBIP) be adjusted in line with the adjustment budget
5. That the 1st Adjustment budget (2025/2026) and National Treasury B- Schedules- Municipal Adjustment Budget & Supporting Tables be sent to the National- and Provincial Treasuries as required
6. That the 1st Adjustment Budget for 2025/2026 be tabled to council for approval

Complete detail is provided in Annexures B (Capital Budget)

<u>No tariffs will be impacted with the approval of this adjustments budget</u>

Section 3 – Executive Summary

There are no material implications on service delivery for the remainder of this financial year as a result of this adjustments budget. The 1st adjustment budget is tabled in terms of Section 28 of the MFMA.

Section 28(2)(e) of the MFMA states the following:

"(2) An adjustments budget –

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

Section 23(5) of the MBRR states the following:

"(5) An adjustments budget referred to in section 28(2)(e) of the Act may only be tabled after the end of the financial year to which the roll-overs relate, and must be approved by the municipal council by 25 August of the financial year following the financial year to which roll-overs relate."

The following internally funded rollovers are included in the capital budget for the 1st Adjusted Budget in terms of the legislation as referenced above:

2. New Motor Vehicle Registration Service in Albertinia R43 878
    - The construction portion of the expansion at the Albertinia office has been completed, but in the meantime the writing method for learners changed from writing physically to electronic methods by means of tablets. Additional space must now be created for the eye test machine. The original plan to place the eye test machine in the office space of the Law Enforcement officers must now be amended to accommodate the CLLT Tablets. The remaining funds in the votenumber must thus be used to create a new space for the eye test machine.

3. New Motor Vehicle Registration Service in Still Bay R100 000
    - The expansion at the Stilbaai office could not proceed in 2024/2025 because consensus could not be reached in time on the location of the office within the building. Consensus has now been reached between the MM and BM to create the office adjacent to the existing payment point and the project should be completed in 2025/26.

4. Refurbishment of areation tanks at SB R1 501 468
    - The tender for the sewer upgrades in the Hessequa area was awarded on 7 February 2025. During the ordering process of the aerators, the supplier indicated that there is a delivery lead time of 20- 24 weeks and that the aerators will not be delivered in time before 30 June 2025.

5. Upgrading Thusong Centre_Braai Area to Waiting Area R51 576
    - The tender for the installation of two airconditioners at the main hall of the Thusong Centre at Riversdale was awarded to Kenwin (PTY) LTD under the Tender HES- CORP 09/2324 at a BAC Meeting on 30 May 2025. (The appointment of a Panel of Service Providers for the provision of Electrical Services for a period of Three (3) years.) The supplier however indicated that the installation of the airconditioners cannot be done before 30 June 2025 because of internal difficulties.

6. Extention Ladder IVECO- R/D – Fire R35 000
    - Following the assessment of the closed quotations received, the compliant bidder- meeting the required specifications in line with the relevant NFPA codes- was identified. However, it was found that the allocated budget for 2024/25 was insufficient to proceed with procurement. Given the vital role the extention ladder plays in firefighting operations, especially in the rescue of individuals trapped on upper levels of buildings during fire incidents, I kindly request that the funds for this item be carried over to the 2025/2026 financial year.

7. 2 X Fire Fighting Trailers with Bakkie Sakkies R200 000
    - Despite following the closed quotation process and advertising on two seperate occasions, both bidding processes failed. The bidders were either unable to deliver within the specified timeframe or had to withdraw due to unforeseen personal medical circumstances. The firefighting trailers remain an essential addition to the firefighting fleet and are intended to be deployed strategically in towns within the Hessequa area where immediate fire service response is currently not available.The presence of these trailers will significantly enhance the Hessequa community's safety and emergency readiness.

The effect of the 1st Adjusted Budget on the 2025/2026 Capital Budget will be as follows:

Capital Budget

- The Capital Budget is increased from R187 628 300 to R189 560 222 (Increase of R1 931 922)

Funding	Original Budget	Virement	1st Adjustment Budget
CRR	75 286 900	1 931 922	77 218 822
External loans	50 000 000	0	50 000 000
Transfers & Subsidies	62 341 400	0	62 341 400
Public Contributions	0	0	0
TOTAAL	**187 628 300**	**1 931 922**	**189 560 222**

The item will be tabled at the Executive Mayoral Committee on 25 August 2025 and feedback will be provided during the Special Council Meeting.

Section 4 – Adjustment Budget Tables

Table B1: Adjustment Budget Statement Summary

WC042 Hessequa - Table B1 Adjustments Budget Summary - 18/08/2025

Description	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	148 312	–	–	–	–	–	–	–	148 312	158 694	169 802
Service charges	384 481	–	–	–	–	–	–	–	384 481	409 259	435 267
Investment revenue	36 046	–	–	–	–	–	–	–	36 046	26 425	26 375
Transfers recognised - operational	75 755	–	–	–	–	–	–	–	75 755	74 727	77 894
Other own revenue	162 747	–	–	–	–	–	–	–	162 747	146 760	165 845
Total Revenue (excluding capital transfers and contributions)	**807 340**	–	–	–	–	–	–	–	**807 340**	**815 864**	**875 183**
Employee costs	270 128	–	–	–	–	–	–	–	270 128	282 696	296 867
Remuneration of councillors	9 690	–	–	–	–	–	–	–	9 690	10 174	10 683
Depreciation & asset impairment	56 202	–	–	–	–	–	–	–	56 202	60 249	63 609
Finance charges	19 809	–	–	–	–	–	–	–	19 809	23 515	24 824
Inventory consumed and bulk purchases	259 979	–	–	–	–	–	40	40	260 019	274 556	291 057
Transfers and subsidies	2 502	–	–	–	–	–	–	–	2 502	2 884	2 906
Other expenditure	187 587	–	–	–	–	–	(40)	(40)	187 548	165 198	185 670
Total Expenditure	**805 898**	–	–	–	–	–	–	–	**805 898**	**819 273**	**875 616**
Surplus/(Deficit)	1 442	–	–	–	–	–	–	–	1 442	(3 409)	(433)
Transfers and subsidies - capital (monetary allocations)	62 341	–	–	–	–	–	–	–	62 341	43 224	33 440
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**63 783**	–	–	–	–	–	–	–	**63 783**	**39 815**	**33 007**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**63 783**	–	–	–	–	–	–	–	**63 783**	**39 815**	**33 007**
Capital expenditure & funds sources											
Capital expenditure	187 628	–	–	–	–	–	1 932	1 932	189 560	153 499	145 712
Transfers recognised - capital	62 341	–	–	–	–	–	–	–	62 341	43 224	33 440
Borrowing	50 000	–	–	–	–	–	–	–	50 000	20 000	70 000
Internally generated funds	75 287	–	–	–	–	–	1 932	1 932	77 219	90 275	42 271
Total sources of capital funds	**187 628**	–	–	–	–	–	**1 932**	**1 932**	**189 560**	**153 499**	**145 712**
Financial position											
Total current assets	453 099	–	–	–	–	–	(1 932)	(1 932)	451 167	430 107	440 451
Total non current assets	1 471 771	–	–	–	–	–	1 932	1 932	1 473 703	1 513 353	1 586 799
Total current liabilities	146 405	–	–	–	–	–	–	–	146 405	149 782	161 904
Total non current liabilities	301 986	–	–	–	–	–	–	–	301 986	321 670	394 787
Community wealth/Equity	**1 476 479**	–	–	–	–	–	–	–	**1 476 479**	**1 472 008**	**1 470 559**
Cash flows											
Net cash from (used) operating	119 297	–	–	–	–	–	(1 812)	(1 812)	117 485	118 378	88 909
Net cash from (used) investing	(177 628)	–	–	–	–	–	(1 932)	(1 932)	(179 560)	(145 499)	(137 212)
Net cash from (used) financing	27 343	–	–	–	–	–	–	–	27 343	(335)	49 788
Cash/cash equivalents at the year end	**361 587**	–	–	–	–	–	**(3 744)**	**(3 744)**	**357 843**	**330 387**	**331 873**
Cash backing/surplus reconciliation											
Cash and investments available	361 587	–	–	–	–	–	(1 932)	(1 932)	359 655	334 132	335 617
Application of cash and investments	26 257	–	–	–	–	–	(13)	(13)	26 243	30 099	30 450
Balance - surplus (shortfall)	**335 331**	–	–	–	–	–	**(1 919)**	**(1 919)**	**333 412**	**304 032**	**305 167**
Asset Management											
Asset register summary (WDV)	1 471 771	–	–	–	–	–	1 932	1 932	1 473 703	1 513 353	1 586 799
Depreciation	52 188	–	–	–	–	–	–	–	52 188	56 192	59 461
Renewal and Upgrading of Existing Assets	56 179	–	–	–	–	–	1 553	1 553	57 732	94 634	69 613
Repairs and Maintenance	124 209	–	–	–	–	–	(22)	(22)	124 187	129 269	135 300
Free services											
Cost of Free Basic Services provided	9 343	–	–	–	–	–	–	–	9 343	9 930	10 580
Revenue cost of free services provided	51 287	–	–	–	–	–	–	–	51 287	54 006	58 412
Households below minimum service level											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–	–

Table B2 Adjustments Budget Financial Performance (standard classification)

WC042 Hessequa - Table B2 Adjustments Budget Financial Performance (functional classification) - 18/08/2025

Standard Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted 5	Accum. Funds 6	Multi-year capital 7	Unfore. Unavoid. 8	Nat. or Prov. Govt 9	Other Adjusts. 10	Total Adjusts. 11	Adjusted Budget 12	Adjusted Budget	Adjusted Budget
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
Governance and administration		214 112	–	–	–	–	–	–	–	214 112	213 134	224 460
Executive and council		18 699	–	–	–	–	–	–	–	18 699	19 232	19 031
Finance and administration		195 413	–	–	–	–	–	–	–	195 413	193 903	205 429
Internal audit		–	–	–	–	–	–	–	–	–	–	–
Community and public safety		119 533	–	–	–	–	–	–	–	119 533	105 409	121 924
Community and social services		12 970	–	–	–	–	–	–	–	12 970	13 152	13 923
Sport and recreation		15 737	–	–	–	–	–	–	–	15 737	16 844	16 844
Public safety		67 044	–	–	–	–	–	–	–	67 044	71 055	75 318
Housing		23 782	–	–	–	–	–	–	–	23 782	4 359	15 838
Health		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		27 999	–	–	–	–	–	–	–	27 999	38 351	27 575
Planning and development		21 923	–	–	–	–	–	–	–	21 923	18 292	19 245
Road transport		5 342	–	–	–	–	–	–	–	5 342	19 571	7 813
Environmental protection		734	–	–	–	–	–	–	–	734	487	517
Trading services		507 569	–	–	–	–	–	–	–	507 569	502 194	534 665
Energy sources		306 808	–	–	–	–	–	–	–	306 808	288 925	311 865
Water management		89 874	–	–	–	–	–	–	–	89 874	94 940	88 197
Waste water management		57 513	–	–	–	–	–	–	–	57 513	61 076	73 911
Waste management		53 374	–	–	–	–	–	–	–	53 374	57 253	60 692
Other		469	–	–	–	–	–	–	–	469	–	–
Total Revenue - Functional	2	869 682	–	–	–	–	–	–	–	869 682	859 088	908 623
Expenditure - Functional												
Governance and administration		123 994	–	–	–	–	–	–	–	123 994	128 901	137 294
Executive and council		38 056	–	–	–	–	–	–	–	38 056	39 494	41 222
Finance and administration		83 523	–	–	–	–	–	–	–	83 523	86 856	93 415
Internal audit		2 414	–	–	–	–	–	–	–	2 414	2 551	2 657
Community and public safety		188 872	–	–	–	–	–	65	65	188 937	175 016	193 549
Community and social services		29 305	–	–	–	–	–	–	–	29 305	30 698	32 063
Sport and recreation		40 870	–	–	–	–	–	65	65	40 936	43 769	46 053
Public safety		93 526	–	–	–	–	–	–	–	93 526	94 199	98 075
Housing		25 170	–	–	–	–	–	–	–	25 170	6 350	17 358
Health		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		92 464	–	–	–	–	–	(135)	(135)	92 329	95 871	99 667
Planning and development		16 367	–	–	–	–	–	–	–	16 367	17 282	18 103
Road transport		68 802	–	–	–	–	–	(135)	(135)	68 667	71 193	73 801
Environmental protection		7 295	–	–	–	–	–	–	–	7 295	7 396	7 764
Trading services		399 081	–	–	–	–	–	70	70	399 151	417 960	443 528
Energy sources		239 667	–	–	–	–	–	–	–	239 667	252 631	267 686
Water management		58 489	–	–	–	–	–	–	–	58 489	59 963	63 831
Waste water management		51 080	–	–	–	–	–	1	1	51 081	53 302	56 960
Waste management		49 845	–	–	–	–	–	69	69	49 914	52 063	55 052
Other		1 487	–	–	–	–	–	–	–	1 487	1 524	1 577
Total Expenditure - Functional	3	805 898	–	–	–	–	–	–	–	805 898	819 273	875 616
Surplus/ (Deficit) for the year		63 783	–	–	–	–	–	–	–	63 783	39 815	33 007

Table B3 Adjustments Budget Financial Performance

WC042 Hessequa - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 18/08/2025

Vote Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
[Insert departmental structure etc]												
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 01 - Office Of The Mm		18 699	–	–	–	–	–	–	–	18 699	19 232	19 031
Vote 02 - Corporate Services		28 703	–	–	–	–	–	–	–	28 703	29 353	30 860
Vote 03 - Financial Services		189 357	–	–	–	–	–	–	–	189 357	189 367	200 666
Vote 04 - Community Services		91 050	–	–	–	–	–	–	–	91 050	75 488	91 232
Vote 05 - Technical Services		518 747	–	–	–	–	–	–	–	518 747	526 869	547 073
Vote 06 - Spatial Plannign & Environmental Management		23 126	–	–	–	–	–	–	–	23 126	18 779	19 762
Vote 07 - Health		–	–	–	–	–	–	–	–	–	–	–
Vote 08 - Planning And Development		–	–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–	–	–
Vote 10 - Electricity		–	–	–	–	–	–	–	–	–	–	–
Vote 11 - Water Management		–	–	–	–	–	–	–	–	–	–	–
Vote 12 - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–
Vote 13 - Waste Management		–	–	–	–	–	–	–	–	–	–	–
Vote 14 - Road Transport		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**869 682**	–	–	–	–	–	–	–	**869 682**	**859 088**	**908 623**
Expenditure by Vote	1											
Vote 01 - Office Of The Mm		44 066	–	–	–	–	–	–	–	44 066	45 830	47 852
Vote 02 - Corporate Services		68 293	–	–	–	–	–	–	–	68 293	71 902	75 158
Vote 03 - Financial Services		49 427	–	–	–	–	–	–	–	49 427	50 206	55 560
Vote 04 - Community Services		126 277	–	–	–	–	–	–	–	126 277	108 961	124 068
Vote 05 - Technical Services		496 281	–	–	–	–	–	–	–	496 281	519 955	549 508
Vote 06 - Spatial Plannign & Environmental Management		21 554	–	–	–	–	–	–	–	21 554	22 417	23 470
Vote 07 - Health		–	–	–	–	–	–	–	–	–	–	–
Vote 08 - Planning And Development		–	–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–	–	–
Vote 10 - Electricity		–	–	–	–	–	–	–	–	–	–	–
Vote 11 - Water Management		–	–	–	–	–	–	–	–	–	–	–
Vote 12 - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–
Vote 13 - Waste Management		–	–	–	–	–	–	–	–	–	–	–
Vote 14 - Road Transport		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	**805 898**	–	–	–	–	–	–	–	**805 898**	**819 273**	**875 616**
Surplus/ (Deficit) for the year	2	**63 783**	–	–	–	–	–	–	–	**63 783**	**39 815**	**33 007**

Table B4 Adjustments Budget Financial Performance (revenue and expenditure)

WC042 Hessequa - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 18/08/2025

Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	256 387	–	–	–	–	–	–	–	256 387	271 667	289 570
Service charges - Water	2	58 186	–	–	–	–	–	–	–	58 186	62 405	66 182
Service charges - Waste Water Management	2	32 413	–	–	–	–	–	–	–	32 413	34 879	36 867
Service charges - Waste Management	2	37 496	–	–	–	–	–	–	–	37 496	40 307	42 648
Sale of Goods and Rendering of Services		52 668	–	–	–	–	–	–	–	52 668	34 858	47 298
Agency services		3 716	–	–	–	–	–	–	–	3 716	3 932	4 168
Interest									–	–		
Interest earned from Receivables		3 019	–	–	–	–	–	–	–	3 019	3 236	3 430
Interest earned from Current and Non Current Assets		36 046	–	–	–	–	–	–	–	36 046	26 425	26 375
Dividends									–	–		
Rent on Land		–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		4 622	–	–	–	–	–	–	–	4 622	4 980	5 306
Special rating levies		–	–	–	–	–	–	–	–	–	–	–
Licence and permits									–	–		
Operational Revenue		11 390	–	–	–	–	–	–	–	11 390	9 732	10 199
Non-Exchange Revenue												
Property rates	2	148 312	–	–	–	–	–	–	–	148 312	158 694	169 802
Surcharges and Taxes									–	–		
Fines, penalties and forfeits		60 606	–	–	–	–	–	–	–	60 606	64 242	68 096
Licences or permits		2 552	–	–	–	–	–	–	–	2 552	2 700	2 862
Transfer and subsidies - Operational		75 755	–	–	–	–	–	–	–	75 755	74 727	77 894
Interest		911	–	–	–	–	–	–	–	911	1 021	1 082
Fuel Levy									–	–		
Operational Revenue		13 264	–	–	–	–	–	–	–	13 264	14 059	14 903
Gains on disposal of Assets		10 000	–	–	–	–	–	–	–	10 000	8 000	8 500
Other Gains		–	–	–	–	–	–	–	–	–	–	–
Discontinued Operations									–	–		
Total Revenue (excluding capital transfers and contributions)		807 340	–	–	–	–	–	–	–	807 340	815 864	875 183
Expenditure By Type												
Employee related costs		270 128	–	–	–	–	–	–	–	270 128	282 696	296 867
Remuneration of councillors		9 690	–	–	–	–	–	–	–	9 690	10 174	10 683
Bulk purchases - electricity		212 192	–	–	–	–	–	–	–	212 192	223 566	237 405
Inventory consumed		47 787	–	–	–	–	–	40	40	47 826	50 990	53 652
Debt impairment		4 014	–	–	–	–	–	–	–	4 014	4 057	4 146
Depreciation and amortisation		52 188	–	–	–	–	–	–	–	52 188	56 192	59 461
Interest		19 809	–	–	–	–	–	–	–	19 809	23 515	24 824
Contracted services		81 852	–	–	–	–	–	(120)	(120)	81 733	56 030	71 259
Transfers and subsidies		2 502	–	–	–	–	–	–	–	2 502	2 884	2 906
Irrecoverable debts written off		56 546	–	–	–	–	–	–	–	56 546	59 939	63 635
Operational costs		49 189	–	–	–	–	–	80	80	49 269	49 228	50 866
Losses on disposal of Assets		–	–	–	–	–	–	–	–	–	–	–
Other Losses		–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		805 898	–	–	–	–	–	–	–	805 898	819 273	875 616
Surplus/(Deficit)		1 442	–	–	–	–	–	–	–	1 442	(3 409)	(433)
Transfers and subsidies - capital (monetary allocations)		62 341	–	–	–	–	–	–	–	62 341	43 224	33 440
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before taxation		63 783	–	–	–	–	–	–	–	63 783	39 815	33 007
Income Tax									–	–		
Surplus/(Deficit) after taxation		63 783	–	–	–	–	–	–	–	63 783	39 815	33 007
Share of Surplus/Deficit attributable to Joint Venture												
Share of Surplus/Deficit attributable to Minorities									–	–		
Surplus/(Deficit) attributable to municipality		63 783	–	–	–	–	–	–	–	63 783	39 815	33 007
Share of Surplus/Deficit attributable to Associate									–	–		
Intercompany/Parent subsidiary transactions									–	–		
Surplus/ (Deficit) for the year	1	63 783	–	–	–	–	–	–	–	63 783	39 815	33 007

Table B5 Adjustments Capital Expenditure Budget by vote and funding

WC042 Hessequa - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 18/08/2025

Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
R thousands		Original Budget A	Prior Adjusted 5 A1	Accum. Funds 6 B	Multi-year capital 7 C	Unfore. Unavoid. 8 D	Nat. or Prov. Govt 9 E	Other Adjusts. 10 F	Total Adjusts. 11 G	Adjusted Budget 12 H	Adjusted Budget	Adjusted Budget
Capital expenditure - Vote												
Multi-year expenditure *to be adjusted*	2											
Vote 01 - Office Of The Mm		–	–	–	–	–	–	–	–	–	–	–
Vote 02 - Corporate Services		250	–	–	–	–	–	–	–	250	200	70
Vote 03 - Financial Services		–	–	–	–	–	–	–	–	–	–	–
Vote 04 - Community Services		1 020	–	–	–	–	–	52	52	1 072	600	458
Vote 05 - Technical Services		126 801	–	–	–	–	–	–	–	126 801	101 982	101 808
Vote 06 - Spatial Plannign & Environmental Management		51	–	–	–	–	–	–	–	51	1	1
Vote 07 - Health		–	–	–	–	–	–	–	–	–	–	–
Vote 08 - Planning And Development		–	–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–	–	–
Vote 10 - Electricity		–	–	–	–	–	–	–	–	–	–	–
Vote 11 - Water Management		–	–	–	–	–	–	–	–	–	–	–
Vote 12 - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–
Vote 13 - Waste Management		–	–	–	–	–	–	–	–	–	–	–
Vote 14 - Road Transport		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	3	**128 122**	–	–	–	–	–	**52**	**52**	**128 174**	**102 783**	**102 337**
Single-year expenditure *to be adjusted*	2											
Vote 01 - Office Of The Mm		148	–	–	–	–	–	–	–	148	60	–
Vote 02 - Corporate Services		4 167	–	–	–	–	–	–	–	4 167	1 935	711
Vote 03 - Financial Services		758	–	–	–	–	–	–	–	758	191	308
Vote 04 - Community Services		3 171	–	–	–	–	–	379	379	3 550	4 575	5 146
Vote 05 - Technical Services		50 301	–	–	–	–	–	1 501	1 501	51 802	43 360	36 371
Vote 06 - Spatial Plannign & Environmental Management		961	–	–	–	–	–	–	–	961	595	838
Vote 07 - Health		–	–	–	–	–	–	–	–	–	–	–
Vote 08 - Planning And Development		–	–	–	–	–	–	–	–	–	–	–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–	–	–	–	–
Vote 10 - Electricity		–	–	–	–	–	–	–	–	–	–	–
Vote 11 - Water Management		–	–	–	–	–	–	–	–	–	–	–
Vote 12 - Waste Water Management		–	–	–	–	–	–	–	–	–	–	–
Vote 13 - Waste Management		–	–	–	–	–	–	–	–	–	–	–
Vote 14 - Road Transport		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		59 506	–	–	–	–	–	**1 880**	**1 880**	**61 388**	**50 716**	**43 375**
Total Capital Expenditure - Vote		**187 628**	–	–	–	–	–	**1 932**	**1 932**	**189 560**	**153 499**	**145 712**
Capital Expenditure - Functional												
Governance and administration		**16 417**	–	–	–	–	–	–	–	**16 417**	**2 944**	**1 638**
Executive and council		148	–	–	–	–	–	–	–	148	60	–
Finance and administration		16 269	–	–	–	–	–	–	–	16 269	2 884	1 638
Internal audit		–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**7 982**	–	–	–	–	–	**430**	**430**	**8 413**	**27 926**	**16 852**
Community and social services		1 002	–	–	–	–	–	52	52	1 054	396	313
Sport and recreation		3 551	–	–	–	–	–	–	–	3 551	22 685	11 051
Public safety		1 183	–	–	–	–	–	379	379	1 562	3 518	3 388
Housing		2 246	–	–	–	–	–	–	–	2 246	1 328	2 200
Health									–	–		
Economic and environmental services		**34 928**	–	–	–	–	–	–	–	**34 928**	**27 788**	**27 334**
Planning and development		47	–	–	–	–	–	–	–	47	52	–
Road transport		34 386	–	–	–	–	–	–	–	34 386	27 193	26 594
Environmental protection		495	–	–	–	–	–	–	–	495	543	740
Trading services		**127 831**	–	–	–	–	–	**1 501**	**1 501**	**129 332**	**94 840**	**99 688**
Energy sources		78 821	–	–	–	–	–	–	–	78 821	34 184	33 356
Water management		21 900	–	–	–	–	–	–	–	21 900	31 790	33 700
Waste water management		18 530	–	–	–	–	–	1 501	1 501	20 031	27 876	20 800
Waste management		8 580	–	–	–	–	–	–	–	8 580	990	11 632
Other		470	–	–	–	–	–	–	–	470	1	99
Total Capital Expenditure - Functional	3	**187 628**	–	–	–	–	–	**1 932**	**1 932**	**189 560**	**153 499**	**145 712**
Funded by:												
National Government		15 021	–	–	–	–	–	–	–	15 021	18 971	23 658
Provincial Government		47 320	–	–	–	–	–	–	–	47 320	24 253	9 782
District Municipality		–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	**62 341**	–	–	–	–	–	–	–	**62 341**	**43 224**	**33 440**
Borrowing		50 000	–	–	–	–	–	–	–	50 000	20 000	70 000
Internally generated funds		75 287	–	–	–	–	–	1 932	1 932	77 219	90 275	42 271
Total Capital Funding		**187 628**	–	–	–	–	–	**1 932**	**1 932**	**189 560**	**153 499**	**145 712**

Table B6 Adjustments Budget Financial Position

WC042 Hessequa - Table B6 Adjustments Budget Financial Position - 18/08/2025

Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
ASSETS												
Current assets												
Cash and cash equivalents		361 587	–	–	–	–	–	(1 932)	(1 932)	359 655	334 132	335 617
Trade and other receivables from exchange transactions	1	39 333	–	–	–	–	–	–	–	39 333	40 201	44 818
Receivables from non-exchange transactions	1	34 634	–	–	–	–	–	–	–	34 634	36 440	38 736
Current portion of non-current receivables	2	–	–	–	–	–	–	–	–	–	–	–
Inventory		4 509	–	–	–	–	–	–	–	4 509	4 728	4 961
VAT		11 975	–	–	–	–	–	–	–	11 975	13 467	15 095
Other current assets		1 060	–	–	–	–	–	–	–	1 060	1 139	1 224
Total current assets		**453 099**	**–**	**–**	**–**	**–**	**–**	**(1 932)**	**(1 932)**	**451 167**	**430 107**	**440 451**
Non current assets												
Investments									–	–		
Investment property		105 082	–	–	–	–	–	–	–	105 082	111 387	118 070
Property, plant and equipment	3	1 367 779	–	–	–	–	–	1 932	1 932	1 369 711	1 393 045	1 459 795
Biological assets									–	–		
Living and non-living resources									–	–		
Heritage assets		8 736	–	–	–	–	–	–	–	8 736	8 736	8 736
Intangible assets		174	–	–	–	–	–	–	–	174	185	196
Trade and other receivables from exchange transactions									–	–		
Non-current receivables from non-exchange transactions		–	–	–	–	–	–	–	–	–	–	–
Other non-current assets									–	–		
Total non current assets		**1 471 771**	**–**	**–**	**–**	**–**	**–**	**1 932**	**1 932**	**1 473 703**	**1 513 353**	**1 586 799**
TOTAL ASSETS		**1 924 870**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1 924 870**	**1 943 460**	**2 027 250**
LIABILITIES												
Current liabilities												
Bank overdraft									–	–		
Financial liabilities		24 300	–	–	–	–	–	–	–	24 300	19 069	22 058
Consumer deposits		12 676	–	–	–	–	–	–	–	12 676	13 436	14 242
Trade and other payables from exchange transactions		80 225	–	–	–	–	–	–	–	80 225	85 041	90 146
Trade and other payables from non-exchange transactions		–	–	–	–	–	–	–	–	–	–	–
Provisions		18 787	–	–	–	–	–	–	–	18 787	21 191	23 747
VAT		10 417	–	–	–	–	–	–	–	10 417	11 046	11 711
Other current liabilities									–	–		
Total current liabilities		**146 405**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**146 405**	**149 782**	**161 904**
Non current liabilities												
Borrowing	1	126 032	–	–	–	–	–	–	–	126 032	126 780	177 636
Provisions	1	175 954	–	–	–	–	–	–	–	175 954	194 890	217 151
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–	–
Other non-current liabilities									–	–		
Total non current liabilities		**301 986**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**301 986**	**321 670**	**394 787**
TOTAL LIABILITIES		**448 391**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**448 391**	**471 452**	**556 692**
NET ASSETS	2	**1 476 479**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1 476 479**	**1 472 008**	**1 470 558**
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		1 365 841	–	–	–	–	–	–	–	1 365 841	1 343 999	1 324 852
Funds and Reserves		110 639	–	–	–	–	–	–	–	110 639	128 009	145 707
Other									–	–		
TOTAL COMMUNITY WEALTH/EQUITY		**1 476 479**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1 476 479**	**1 472 008**	**1 470 558**

Table B7 Adjustments Budget Cash Flows

WC042 Hessequa - Table B7 Adjustments Budget Cash Flows - 18/08/2025

Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		145 346	–	–	–	–	–	–	–	145 346	155 520	166 406
Service charges		407 609	–	–	–	–	–	–	–	407 609	433 936	461 419
Other revenue		98 679	–	–	–	–	–	120	120	98 799	81 356	93 291
Transfers and Subsidies - Operational	1	107 341	–	–	–	–	–	–	–	107 341	88 718	104 088
Transfers and Subsidies - Capital	1	61 792	–	–	–	–	–	–	–	61 792	41 896	31 440
Interest		41 836	–	–	–	–	–	–	–	41 836	34 784	33 142
Dividends									–	–		
Payments												
Suppliers and employees		(729 494)	–	–	–	–	–	(1 932)	(1 932)	(731 426)	(701 038)	(783 870)
Finance charges		(11 309)	–	–	–	–	–	–	–	(11 309)	(14 038)	(14 257)
Transfers and Subsidies	1	(2 502)	–	–	–	–	–	–	–	(2 502)	(2 757)	(2 750)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**119 297**	–	–	–	–	–	**(1 812)**	**(1 812)**	**117 485**	**118 378**	**88 909**
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		10 000	–	–	–	–	–	–	–	10 000	8 000	8 500
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments									–	–		
Payments												
Capital assets		(187 628)	–	–	–	–	–	(1 932)	(1 932)	(189 560)	(153 499)	(145 712)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(177 628)**	–	–	–	–	–	**(1 932)**	**(1 932)**	**(179 560)**	**(145 499)**	**(137 212)**
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans									–	–		
Borrowing long term/refinancing		50 000	–	–	–	–	–	–	–	50 000	20 000	70 000
Increase (decrease) in consumer deposits		1 594	–	–	–	–	–	–	–	1 594	1 690	1 792
Payments												
Repayment of borrowing		(24 251)	–	–	–	–	–	–	–	(24 251)	(22 025)	(22 003)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**27 343**	–	–	–	–	–	–	–	**27 343**	**(335)**	**49 788**
NET INCREASE/ (DECREASE) IN CASH HELD		**(30 988)**	–	–	–	–	–	**(3 744)**	**(3 744)**	**(34 732)**	**(27 456)**	**1 486**
Cash/cash equivalents at the year begin:	2	392 575	–	–	–	–	–	–	–	392 575	357 843	330 387
Cash/cash equivalents at the year end:	2	361 587	–	–	–	–	–	(3 744)	(3 744)	357 843	330 387	331 873

Table B8 Cash backed reserves/accumulated surplus reconciliation

WC042 Hessequa - Table B8 Cash backed reserves/accumulated surplus reconciliation - 18/08/2025

Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
R thousands		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
Cash and investments available												
Cash/cash equivalents at the year end	1	361 587	–	–	–	–	–	(3 744)	(3 744)	357 843	330 387	331 873
Other current investments > 90 days		–	–	–	–	–	–	1 812	1 812	1 812	3 744	3 744
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		361 587	–	–	–	–	–	(1 932)	(1 932)	359 655	334 132	335 617
Applications of cash and investments												
Unspent conditional transfers		–	–	–	–	–	–	–	–	–	–	–
Unspent borrowing									–	–		
Statutory requirements		(1 558)	–	–	–	–	–	–	–	(1 558)	(2 421)	(3 384)
Other working capital requirements	2	9 028	–					(13)	(13)	9 015	11 330	10 087
Other provisions		18 787	–	–	–	–	–	–	–	18 787	21 191	23 747
Long term investments committed		–	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments			–						–			
Total Application of cash and investments:		26 257	–	–	–	–	–	(13)	(13)	26 243	30 099	30 450
Surplus(shortfall)		335 331	–	–	–	–	–	(1 919)	(1 919)	333 412	304 032	305 167

Table B9 Asset Management

WC042 Hessequa - Table B9 Asset Management - 18/08/2025

Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
R thousands		Original Budget A	Prior Adjusted 7 A1	Accum. Funds 8 B	Multi-year capital 9 C	Unfore. Unavoid. 10 D	Nat. or Prov. Govt 11 E	Other Adjusts. 12 F	Total Adjusts. 13 G	Adjusted Budget 14 H	Adjusted Budget	Adjusted Budget
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	131 449	–	–	–	–	–	379	379	131 828	58 865	76 099
Roads Infrastructure		3 614	–	–	–	–	–	–	–	3 614	2 300	7 640
Storm water Infrastructure		2 000	–	–	–	–	–	–	–	2 000	2 200	1 000
Electrical Infrastructure		61 408	–	–	–	–	–	–	–	61 408	3 420	11 500
Water Supply Infrastructure		14 914	–	–	–	–	–	–	–	14 914	17 270	22 450
Sanitation Infrastructure		11 914	–	–	–	–	–	–	–	11 914	14 000	13 200
Solid Waste Infrastructure		280	–	–	–	–	–	–	–	280	340	11 582
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		3 130	–	–	–	–	–	(60)	(60)	3 070	950	200
Infrastructure		97 259	–	–	–	–	–	(60)	(60)	97 199	40 480	67 472
Community Facilities		2 502	–	–	–	–	–	–	–	2 502	660	50
Sport and Recreation Facilities		1 650	–	–	–	–	–	–	–	1 650	3 260	860
Community Assets		4 152	–	–	–	–	–	–	–	4 152	3 920	910
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		8 000	–	–	–	–	–	–	–	8 000	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	8 000	–	–	–	–	–	–	–	8 000	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		1 605	–	–	–	–	–	60	60	1 665	743	374
Furniture and Office Equipment		891	–	–	–	–	–	–	–	891	453	458
Machinery and Equipment		6 943	–	–	–	–	–	179	179	7 122	2 249	2 254
Transport Assets		12 600	–	–	–	–	–	200	200	12 800	11 020	4 630
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–

WC042 Hessequa - Table B9 Asset Management - 18/08/2025

Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
R thousands		Original Budget A	Prior Adjusted 7 A1	Accum. Funds 8 B	Multi-year capital 9 C	Unfore. Unavoid. 10 D	Nat. or Prov. Govt 11 E	Other Adjusts. 12 F	Total Adjusts. 13 G	Adjusted Budget 14 H	Adjusted Budget	Adjusted Budget
CAPITAL EXPENDITURE												
Total Renewal of Existing Assets *to be adjusted*	2	7 148	–	–	–	–	–	1 501	1 501	8 649	17 834	17 150
Roads Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		3 900	–	–	–	–	–	–	–	3 900	8 250	3 700
Water Supply Infrastructure		500	–	–	–	–	–	–	–	500	3 000	8 500
Sanitation Infrastructure		1 730	–	–	–	–	–	1 501	1 501	3 231	2 600	2 300
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		6 130	–	–	–	–	–	1 501	1 501	7 631	13 850	14 500
Community Facilities		680	–	–	–	–	–	–	–	680	900	500
Sport and Recreation Facilities		250	–	–	–	–	–	–	–	250	2 884	2 100
Community Assets		930	–	–	–	–	–	–	–	930	3 784	2 600
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		88	–	–	–	–	–	–	–	88	–	50
Machinery and Equipment		–	–	–	–	–	–	–	–	–	200	–
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
Total Upgrading of Existing Assets *to be adjusted*	2a	49 031	–	–	–	–	–	52	52	49 083	76 800	52 463
Roads Infrastructure		24 651	–	–	–	–	–	–	–	24 651	34 206	23 632
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	2 000	1 000
Electrical Infrastructure		10 300	–	–	–	–	–	–	–	10 300	21 200	16 636
Water Supply Infrastructure		3 900	–	–	–	–	–	–	–	3 900	10 378	4 550
Sanitation Infrastructure		4 000	–	–	–	–	–	–	–	4 000	8 206	5 200
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–

WC042 Hessequa - Table B9 Asset Management - 18/08/2025

Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted 7	Accum. Funds 8	Multi-year capital 9	Unfore. Unavoid. 10	Nat. or Prov. Govt 11	Other Adjusts. 12	Total Adjusts. 13	Adjusted Budget 14	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
CAPITAL EXPENDITURE												
Infrastructure		42 851	–	–	–	–	–	–	–	42 851	75 990	51 218
Community Facilities		1 080	–	–	–	–	–	52	52	1 132	430	445
Sport and Recreation Facilities		4 200	–	–	–	–	–	–	–	4 200	380	300
Community Assets		5 280	–	–	–	–	–	52	52	5 332	810	745
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		900	–	–	–	–	–	–	–	900	–	500
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	900	–	–	–	–	–	–	–	900	–	500
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure *to be adjusted*	4	187 628	–	–	–	–	–	1 932	1 932	189 560	153 499	145 712
Roads Infrastructure		28 265	–	–	–	–	–	–	–	28 265	36 506	31 372
Storm water Infrastructure		2 000	–	–	–	–	–	–	–	2 000	4 200	2 000
Electrical Infrastructure		75 608	–	–	–	–	–	–	–	75 608	32 870	31 836
Water Supply Infrastructure		19 314	–	–	–	–	–	–	–	19 314	30 648	35 500
Sanitation Infrastructure		17 644	–	–	–	–	–	1 501	1 501	19 145	24 806	20 700
Solid Waste Infrastructure		280	–	–	–	–	–	–	–	280	340	11 582
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		3 130	–	–	–	–	–	(60)	(60)	3 070	950	200
Infrastructure		146 240	–	–	–	–	–	1 441	1 441	147 682	130 320	133 190
Community Facilities		4 262	–	–	–	–	–	52	52	4 313	1 990	995
Sport and Recreation Facilities		6 100	–	–	–	–	–	–	–	6 100	6 524	3 260
Community Assets		10 362	–	–	–	–	–	52	52	10 413	8 514	4 255
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		8 900	–	–	–	–	–	–	–	8 900	–	500
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets		8 900	–	–	–	–	–	–	–	8 900	–	500
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		1 605	–	–	–	–	–	60	60	1 665	743	374
Furniture and Office Equipment		979	–	–	–	–	–	–	–	979	453	508
Machinery and Equipment		6 943	–	–	–	–	–	179	179	7 122	2 449	2 254
Transport Assets		12 600	–	–	–	–	–	200	200	12 800	11 020	4 630
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE *to be adjusted*	4	187 628	–	–	–	–	–	1 932	1 932	189 560	153 499	145 712

WC042 Hessequa - Table B9 Asset Management - 18/08/2025

Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted 7	Accum. Funds 8	Multi-year capital 9	Unfore. Unavoid. 10	Nat. or Prov. Govt 11	Other Adjusts. 12	Total Adjusts. 13	Adjusted Budget 14	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
ASSET REGISTER SUMMARY - PPE (WDV)	5	1 471 771	–	–	–	–	–	1 932	1 932	1 473 703	1 513 353	1 586 799
Roads Infrastructure		224 981	–	–	–	–	–	–	–	224 981	244 716	252 260
Storm water Infrastructure		130 974	–	–	–	–	–	–	–	130 974	141 054	147 220
Electrical Infrastructure		223 381	–	–	–	–	–	–	–	223 381	189 331	197 496
Water Supply Infrastructure		143 595	–	–	–	–	–	–	–	143 595	162 241	174 803
Sanitation Infrastructure		174 835	–	–	–	–	–	1 501	1 501	176 337	191 149	196 907
Solid Waste Infrastructure		28 974	–	–	–	–	–	–	–	28 974	31 134	44 455
Rail Infrastructure									–	–		
Coastal Infrastructure									–	–		
Information and Communication Infrastructure		2 989	–	–	–	–	–	(60)	(60)	2 929	740	(42)
Infrastructure		929 729	–	–	–	–	–	1 441	1 441	931 170	960 365	1 013 099
Community Assets		113 872	–	–	–	–	–	52	52	113 923	118 438	120 781
Heritage Assets		8 911	–	–	–	–	–	–	–	8 911	8 922	8 933
Investment properties		105 082	–	–	–	–	–	–	–	105 082	111 387	118 070
Other Assets		227 664	–	–	–	–	–	–	–	227 664	231 792	246 291
Biological or Cultivated Assets									–	–		
Intangible Assets									–	–		
Computer Equipment		7 555	–	–	–	–	–	60	60	7 615	6 962	6 968
Furniture and Office Equipment		8 196	–	–	–	–	–	–	–	8 196	8 116	8 648
Machinery and Equipment		27 351	–	–	–	–	–	179	179	27 529	23 851	24 992
Transport Assets		43 413	–	–	–	–	–	200	200	43 613	43 520	38 996
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals									–	–		
Living Resources												
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	**1 471 771**	–	–	–	–	–	**1 932**	**1 932**	**1 473 703**	**1 513 353**	**1 586 799**
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		52 188	–	–	–	–	–	–	–	52 188	56 192	59 461
Repairs and Maintenance by asset class	3	**124 209**	–	–	–	–	–	(22)	(22)	**124 187**	**129 269**	**135 300**
Roads Infrastructure		32 074	–	–	–	–	–	–	–	32 074	32 878	34 313
Storm water Infrastructure		300	–	–	–	–	–	–	–	300	371	393
Electrical Infrastructure		22 212	–	–	–	–	–	–	–	22 212	22 972	24 076
Water Supply Infrastructure		18 385	–	–	–	–	–	–	–	18 385	19 184	20 136
Sanitation Infrastructure		16 308	–	–	–	–	–	–	–	16 308	17 145	17 987
Solid Waste Infrastructure		3 712	–	–	–	–	–	–	–	3 712	3 910	4 099
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		92 991	–	–	–	–	–	–	–	92 991	96 459	101 005
Community Facilities		4 629	–	–	–	–	–	–	–	4 629	4 327	4 502
Sport and Recreation Facilities		9 780	–	–	–	–	–	–	–	9 780	10 969	11 544
Community Assets		14 409	–	–	–	–	–	–	–	14 409	15 296	16 046
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		3 712	–	–	–	–	–	–	–	3 712	3 853	4 057
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets		3 712	–	–	–	–	–	–	–	3 712	3 853	4 057
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		3 884	–	–	–	–	–	(22)	(22)	3 862	4 064	4 226
Furniture and Office Equipment		594	–	–	–	–	–	–	–	594	607	620
Machinery and Equipment		3 484	–	–	–	–	–	48	48	3 532	3 629	3 771
Transport Assets		5 135	–	–	–	–	–	(48)	(48)	5 087	5 361	5 575
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	6	–	–	–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		**176 398**	–	–	–	–	–	(22)	(22)	**176 376**	**185 461**	**194 761**
Renewal and upgrading of Existing Assets as % of total capex		29.9%	0.0%							30.5%	61.7%	47.8%
Renewal and upgrading of Existing Assets as % of deprecn"		107.6%	0.0%							110.6%	168.4%	117.1%
R&M as a % of PPE		8.4%	0.0%							8.4%	8.5%	8.5%
Renewal and upgrading and R&M as a % of PPE		12.3%	0.0%							12.3%	14.8%	12.9%

Table B10 Basic service delivery measurement

WC042 Hessequa - Table B10 Basic service delivery measurement - 18/08/2025

Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget A	Prior Adjusted 7 A1	Accum. Funds 8 B	Multi-year capital 9 C	Unfore. Unavoid. 10 D	Nat. or Prov. Govt 11 E	Other Adjusts. 12 F	Total Adjusts. 13 G	Adjusted Budget 14 H	Adjusted Budget	Adjusted Budget
Household service targets	1											
Water:												
Piped water inside dwelling		15222	0	0	0	0	0	0	–	15	15322	15422
Piped water inside yard (but not in dwelling)		0	0	0	0	0	0	0	–	–	0	0
Using public tap (at least min.service level)	2	497	0	0	0	0	0	0	–	0	497	497
Other water supply (at least min.service level)									–	–		
Minimum Service Level and Above sub-total		16	–	–	–	–	–	–	–	16	16	16
Using public tap (< min.service level)	3								–	–		
Other water supply (< min.service level)	3,4								–	–		
No water supply									–	–		
Below Minimum Servic Level sub-total		–	–	–	–	–	–	–	–	–	–	–
Total number of households	5	16	–	–	–	–	–	–	–	16	16	16
Sanitation/sewerage:												
Flush toilet (connected to sewerage)		13537	0	0	0	0	0	0	–	13 537	13637	13737
Flush toilet (with septic tank)		1824	0	0	0	0	0	0	–	1 824	1824	1824
Chemical toilet									–	–		
Pit toilet (ventilated)									–	–		
Other toilet provisions (> min.service level)		0	0	0	0	0	0	0	–	–	0	0
Minimum Service Level and Above sub-total		15 361	–	–	–	–	–	–	–	15 361	15 461	15 561
Bucket toilet									–	–		
Other toilet provisions (< min.service level)		0	0	0	0	0	0	0	–	–	0	0
No toilet provisions									–	–		
Below Minimum Servic Level sub-total		–	–	–	–	–	–	–	–	–	–	–
Total number of households	5	15 361	–	–	–	–	–	–	–	15 361	15 461	15 561
Energy:												
Electricity (at least min. service level)		3265	0	0	0	0	0	0	–	3 265	3365	3465
Electricity - prepaid (> min.service level)		11102	0	0	0	0	0	0	–	11 102	11202	11302
Minimum Service Level and Above sub-total		14 367	–	–	–	–	–	–	–	14 367	14 567	14 767
Electricity (< min.service level)		0	0	0	0	0	0	0	–	–	0	0
Electricity - prepaid (< min. service level)									–	–		
Other energy sources		0	0	0	0	0	0	0	–	–	0	0
Below Minimum Servic Level sub-total		–	–	–	–	–	–	–	–	–	–	–
Total number of households	5	14 367	–	–	–	–	–	–	–	14 367	14 567	14 767
Refuse:												
Removed at least once a week (min.service)		16658	0	0	0	0	0	0	–	16 658	16758	16858
Minimum Service Level and Above sub-total		16 658	–	–	–	–	–	–	–	16 658	16 758	16 858
Removed less frequently than once a week									–	–		
Using communal refuse dump									–	–		
Using own refuse dump									–	–		
Other rubbish disposal		0	0	0	0	0	0	0	–	–	0	0
No rubbish disposal									–	–		
Below Minimum Servic Level sub-total		–	–	–	–	–	–	–	–	–	–	–
Total number of households	5	16 658	–	–	–	–	–	–	–	16 658	16 758	16 858
Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)		5	–	–	–	–	–	–	–	5	5	5
Sanitation (free minimum level service)		5	–	–	–	–	–	–	–	5	5	5
Electricity/other energy (50kwh per household per month)		5	–	–	–	–	–	–	–	5	5	5
Refuse (removed at least once a week)		5	–	–	–	–	–	–	–	5	5	5
Informal Settlements		–	–	–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided (R'000)	16											
Water (6 kilolitres per indigent household per month)		3 560	–	–	–	–	–	–	–	3 560	3 802	4 049
Sanitation (free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per indigent household per month)		5 775	–	–	–	–	–	–	–	5 775	6 119	6 522
Refuse (removed once a week for indigent households)		–	–	–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		9	–	–	–	–	–	–	–	9	9	9
Total cost of FBS provided		9 343	–	–	–	–	–	–	–	9 343	9 930	10 580
Highest level of free service provided												
Property rates (R'000 value threshold)		850000	0	0	0	0	0	0	–	850 000	850000	850000
Water (kilolitres per household per month)		6	0	0	0	0	0	0	–	6	6	6
Sanitation (kilolitres per household per month)		0	0	0	0	0	0	0	–	–	0	0
Sanitation (Rand per household per month)		398	0	0	0	0	0	0	–	398	424	452
Electricity (kw per household per month)		50	0	0	0	0	0	0	–	50	50	50
Refuse (average litres per week)		240	0	0	0	0	0	0	–	240	240	240
Revenue cost of free services provided (R'000)	17											
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)		303	–	–	–	–	–	–	–	303	325	347
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		10 410	–	–	–	–	–	–	–	10 410	11 139	11 919
Water (in excess of 6 kilolitres per indigent household per month)		11 207	–	–	–	–	–	–	–	11 207	11 706	12 747
Sanitation (in excess of free sanitation service to indigent households)		13 828	–	–	–	–	–	–	–	13 828	14 506	15 729
Electricity/other energy (in excess of 50 kwh per indigent household per month)		381	–	–	–	–	–	–	–	381	404	431
Refuse (in excess of one removal a week for indigent households)		15 157	–	–	–	–	–	–	–	15 157	15 925	17 240
Municipal Housing - rental rebates		–	–	–	–	–	–	–	–	–	–	–
Housing - top structure subsidies	6	–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		51 287	–	–	–	–	–	–	–	51 287	54 006	58 412

Section 5- Adjustments Budget assumptions

There were no adjustments to budget assumptions made.

Section 6- Adjustments to Budget Funding

6.1 Summary of the impact of the adjustments budget

6.1.1 Funding of operating and capital expenditure

There were no new allocations made from Cash backed accumulated funds. The funds are rolled over from the 2024/25 financial year to fund projects from the Capital Replacement Reserve.

6.1.2 Financial plans
The current Medium-Term Revenue and Expenditure Framework is fully in line with the financial plans and strategies.

6.2 Expenditure funded in accordance with MFMA section 18
Refer to Annexure 1-'Supporting Table SB6 Adjustments Budget-funding measurement'.

6.3 Adjustments' to collection levels estimated
No adjustments are made to collection levels as all assumptions in this regard remains the same.

6.3 Adjustments related to allocations and grants to the municipality, distinguishing between operating and capital, from national government, provincial government and other municipalities and other donors.
Refer to Annexure 1-'Supporting Table SB7 Adjustments Budget -transfers and grants receipts'.

Section 7- Adjustments to expenditure on allocations and grant programmes

Disclosure on expenditure on allocations and grant programmes is done by way of the following tables in Annexure 1:

(i) Supporting Table SB7 Adjustments Budget-transfers and grant receipts

(ii) Supporting Table SB8 Adjustments Budget-expenditure on transfers and grant programme

(iii) Supporting Table SB9 Adjustments Budget-reconciliation of transfers, grant receipts , and unspent funds

Section 8- Adjustments to allocations or grants made by the municipality

Refer to Annexure 1, 'Supporting Table SB10 Adjustments Budget- transfers and grants made by the municipality.

Section 9- Adjustments to councillors and board members allowances and employee benefits
Refer to Annexure 1, 'Supporting Table SB11 Adjustments Budget- councillor and staff benefits.

Section 10- Adjustments to service delivery and budget implementation plan

10.1 Quarterly service delivery targets and performance indicators in the SDBIP
Performance indicators needs to be adjusted to include spending of additional and amended allocations.

10.2 Key financial indicators
Refer to Annexure 1'Supporting Table SB4: Adjustments to budgeted performance indicators and benchmarks'.

10.3 Monthly targets for revenue, expenditure and cash flow
Disclosure on monthly targets for revenue, expenditure and cash flow is made in Annexure 1 in the following Supporting Tables:

10.3.1 Monthly operating budget revenue and expenditure projections
Supporting Table SB12 Adjustments Budget -monthly revenue and expenditure (municipal vote)' and 'Supporting Table SB13 Adjustments Budget-monthly revenue and expenditure (functional classification) broken down per month for the budget year, and shown in total for the following two years.
Supporting Table SB14 Adjustments Budget -monthly revenue and expenditure ' reflects consolidated projections of revenue by source and expenditure by type for the budget year broken down per month for the budget year, and shown in total for the following two years.

10.3.2 Monthly capital budget revenue and expenditure projections
Supporting Table SB16 and SB17 Adjustments Budget-monthly capital expenditure (municipal vote) and 'functional classification' show capital expenditure broken down per month for the budget year, and shown in total for the following two years.

10.3.3 Monthly cash flow projections
Supporting Table SB15 Adjustments Budget- monthly Cash flow' sets out receipts by source and payments by type for both operating and capital, broken down per month for the budget year, and shown in total for the following two years.

Section 11- Adjustments to Capital Budget

The disclosure on the adjustments to the capital programme are provided in Annexure 1 in the following supporting tables:
Supporting Table SB16 Adjustments Budget - monthly capital expenditure (municipal vote)
Supporting Table SB17 Adjustments Budget - monthly capital expenditure (functional classification)
Supporting Table SB18a Adjustments Budget-capital expenditure on new assets by asset class
Supporting Table SB 18b Adjustments Budget-capital expenditure on renewal of existing assets by asset class
Supporting Table SB 18c Adjustments Budget-expenditure on repairs and maintenance by asset class
Supporting Table SB 18d Adjustments Budget-depreciation by asset class
Supporting Table SB 18e Adjustments Budget-capital expenditure on upgrading of existing assets by asset class
Supporting Table SB19 List of capital programmes and projects affected by Adjustments Budget

Section 12- Other Supporting Documents

2025/2026 1st Adjustment Budget

B Schedules

Memorandums requesting the rollover of funds from 2024/2025 to 2025/2026

QUALITY CERTIFICATE

I, **ASA de Klerk**, the municipal manager of **Hessequa Municipality**, hereby certify that –

- **The 1st Adjustment Budget for 2025/2026**

Has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: **A S A de Klerk**

Municipal Manager of Hessequa Municipality – WC042

Signature ________________________

Date 19 August 2025