MID –YEAR BUDGET

AND

PERFORMANCE REPORT

2025/2026

HESSEQUA

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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.

FMSG – Financial Management Support Grant

MCBG – Municipal Capacity Building 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 – Neighbourhood 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 rateable 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

SCOA – Standard Chart of Accounts

BTO – Budget & Treasury Office

LEGISLATIVE FRAMEWORK

Section 72: Mid-Year Budget and Performance Assessment

(1) The accounting officer of a municipality must by 25 January of each year—

(a) Assess the performance of the municipality during the first half of the financial year, taking into account—

(i) The monthly statements referred to in section 71 for the first half of the financial year;

(ii) The municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;

(iii) The past year's annual report, and progress on resolving problems identified in the annual report, and

(iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and

(b) Submit a report on such assessment to—

(i) The mayor of the municipality;

(ii) The National Treasury; and

(iii) The relevant provincial treasury.

(2) The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1) (b) of this section.

(3) The accounting officer must, as part of the review—

(a) Make recommendations as to whether an adjustments budget is necessary; and

(b) Recommend revised projections for revenue and expenditure to the extent that this may be necessary.

Section 54: Budgetary control and early identification of financial problems

(1) On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, the mayor must—

(a) Consider the statement or report;

(b) Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;

(c) Consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;

(d) Issue any appropriate instructions to the accounting officer to ensure—

(i) That the budget is implemented in accordance with the service delivery and budget implementation plan; and

(ii) That spending of funds and revenue collection proceed in accordance with the budget;

(e) Identify any financial problems facing the municipality, including any emerging or impending financial problems; and

(f) In the case of a section 72 report, submit the report to the council by 31 January of each year.

(2) If the municipality faces any serious financial problems, the mayor must—

(a) Promptly respond to and initiate any remedial or corrective steps proposed by the accounting officer to deal with such problems, which may include—

(i) Steps to reduce spending when revenue is anticipated to be less than projected in the municipality's approved budget;

(ii) The tabling of an adjustments budget; or

(iii) Steps in terms of Chapter 13; and

(b) Alert the council and the MEC for local government in the province to those problems.

(3) The mayor must ensure that any revisions of the service delivery and budget implementation plan are made public promptly.

Local Government: Municipal Finance Management Act, 2003

Municipal Budget and Reporting Regulations

Section 33: Format of a mid-year budget and performance assessment

A mid-year budget and performance assessment of a municipality referred to in section 72 of the Act must be in a format specified in Schedule C 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.

Section 34: Publication of mid-year budget and performance assessments

(1) Within five working days of 25 January each year the municipal manager must make the mid-year budget and performance assessment public by placing it on the municipal website.

(2) The municipal manager must make public any other information that the municipal council considers appropriate to facilitate public awareness of the mid-year budget and performance assessment, including-

(a) Summaries in alternate languages predominant in the community, and

(b) Information relevant to each ward in the municipality.

Section 35: Submission of mid-year budget and performance assessments

The municipal manager must submit to the National Treasury and the relevant provincial treasury, in both printed and electronic form-

(a) The mid-year budget and performance assessment by 25 January of each year; and

(b) Any other information relating to the mid-year budget and performance assessments as may be required by the National Treasury.

1. INTRODUCTION

In terms of Section 72(1)(a) and 52(d) of the Local Government Municipal Finance Management Act No. 56 of 2003 (MFMA) the Accounting Officer must by 25 January of each year assess the performance of the municipality during the first half of the financial year. A report on such assessment must in terms of Section 72(1) (b) of the MFMA be submitted to the Mayor, Provincial Treasury and National Treasury.

Once the Mayor has considered the report, it must be submitted to Council by 31 January in terms of Section 54 of the MFMA.

1.1 MAYOR'S REPORT

The Annual Report of the 2024/25 financial year will be tabled to Council on in January 2026. The Annual Report will be advertised for public comment in the local newspaper and on the municipal website. Comments received, if any will be submitted to the Municipal Public Accounts Committee (MPAC). The MPAC committee compiles the oversight report on the Annual Report with recommendations to Council for adoption, change or rejection.

The following section has been prepared in terms of the Local Government: Municipal Finance Management Act number 56 of 2003: Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 April 2009, which states the following:

For the mid-year budget and performance assessment, the mayor's report must also provide-

(a) A summary of the past year's annual report, and progress on resolving problems identified in the annual report and the audit report

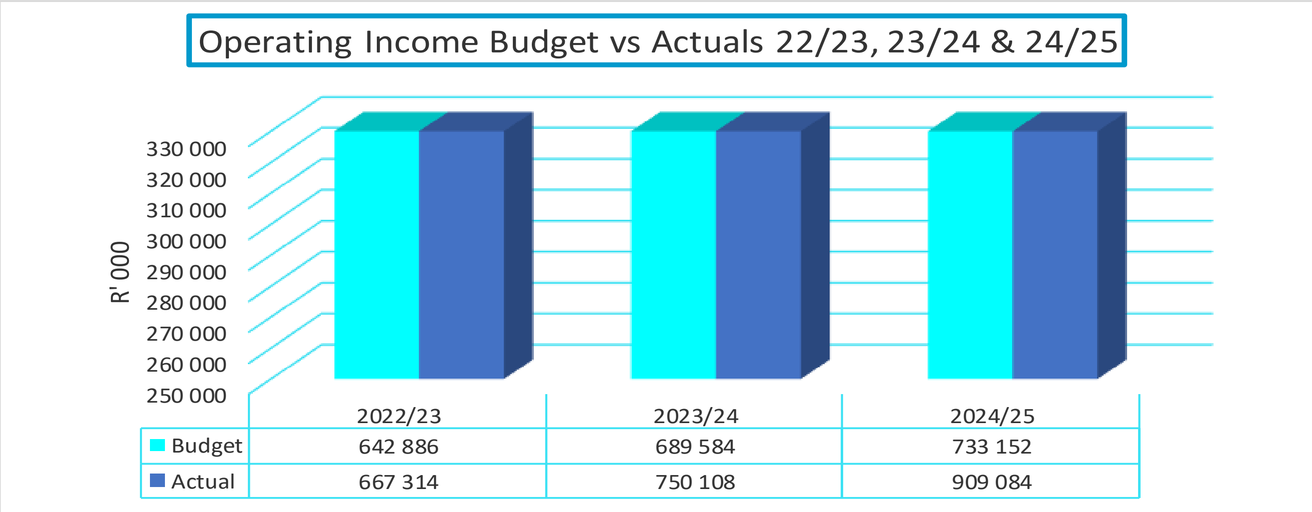
(b) A summary of any potential impact of the national adjustments budget and the relevant provincial

(c) A recommendation as to whether an adjustments budget for the municipality is necessary.

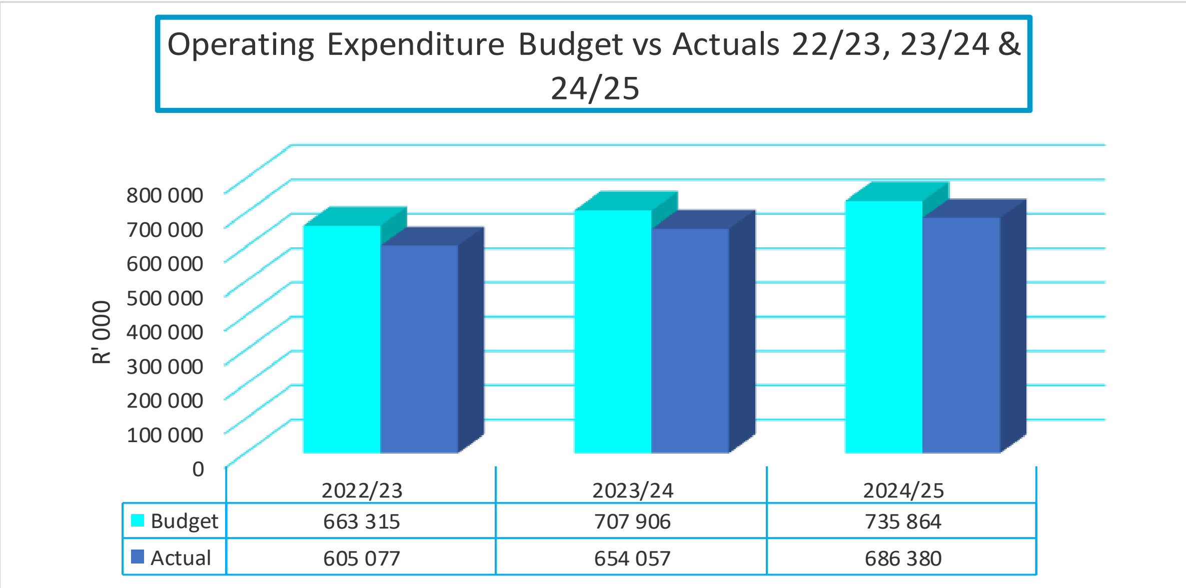
1.1.1 SUMMARY OF THE PREVIOUS YEAR'S ANNUAL REPORT

The following is a summary of the past year's annual report, and progress on resolving problems identified in the annual report and the audit report

(a) Operating Budget and Actuals 2022/23, 2023/24 & 2024/25

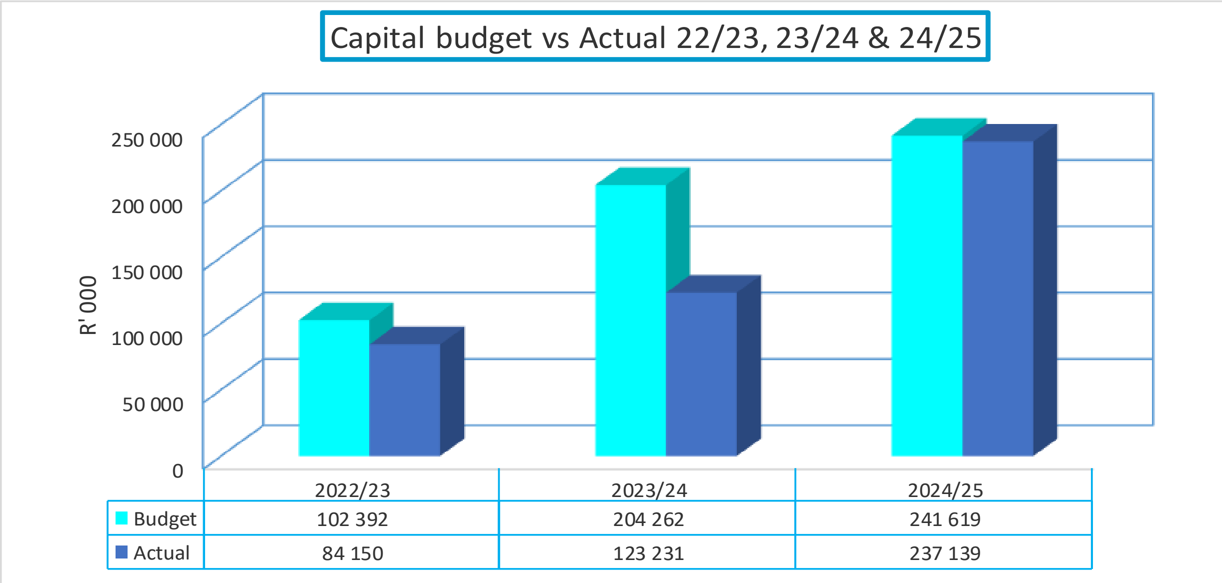


The graph above shows the Operating Income budget versus Actuals for 2022/23, 2023/24 & 2024/25. In 2022/23 the budget was R642 886 million and the actuals R667 314 million. In 2023/24 the actual income was R750 108 million against a budget of R689 584 million. During 2024/25 the actual income was R909 084 million against a budget of R733 152 million. The operating income shows an increase over 22/23, 23/24 and 24/25 .



The graph above shows the Operating Expenditure Budget versus Actuals for 2022/23, 2023/24 & 2024/25 financial years, the budget for 2022/23 was R663 315 million the actual expenditure was R605 077 million and in the 2023/24 financial year the budget was R707 906 million the actual expenditure was R654 057 million. In 2024/25 the actual expenditure was R686 380 million against a budget of R735 864 million.

(B) CAPITAL EXPENDITURE AGAINST BUDGETS



In the **2022/23** financial year 82,18% of the capital budget was spent. The actual expenditure was R84 150 million to a capital budget of R102 392 million.

Reasons for the variances are as follows:

a) Furniture and Office Equipment: (1) No spending on Aircons and clock (Council). (2) Savings on Cupboard (Mayor).

b) Information And Communication Infrastructure: (1) Savings on Main frame computer system (Finance) (ICT). (2)

c) Community Assets: (1) Savings on on the construction of municipal sportfields Heidelberg, which was not fully spent at yearend. This is a multi-year project and an application to roll over the unspent funds was submitted to National Treasury.

d) Electricity: (1) A portion of the expenses on the Provincial Grant for electrification of the housing project in Melkhoutfontein, was transferred to operational costs. (2) Various savings on projects realised and emergency generator not procured, due to no stock available.

e) Water: (1) The procurement of generators not realised, due to no stock available.

f) Sewerage: (1) The variance are mainly attributed to the unspending of an amount for the procurement of generators and there were savings on various line items.

In the **2023/24** financial year 60,33% of the capital budget was spent. The actual expenditure was R123 231 million to a capital budget of R204 262 million.

Reasons for the variances are as follows:

a) Electricity/ Energy Sources: - (1) The deviation represents an unspent amount of R68 315 814.00 which relates to the Municipal Energy Resilience Grant received from Provincial Treasury. The project was pending final award due to the Section 33 processes being followed. A rollover application was submitted for the unspent balance. (2) Savings were also realised on other projects including "Upgrade CBS at Ladysmith Substation", "Upgrade CBS Museum Substation", "Project 1: Bill 6.0: S/B: MV Cable", and "Cable and Fault detectors".

b) Community Assets: - (1) One tenderer failed to implement a project and had his contract terminated. The project was rolled over to 2024/2025.

c) Transport Assets: (1) No spending on the 2 x Fire Fighting Trailers and savings on other projects.

d) Land and Buildings: (1) Underspending on the Refurbishment of buildings-HQ and saving on other projects.

e) Roads & Stormwater: (1) The deviation largely represents an unspent amount of R1 165 789.00 relating to the Municipal Disaster Relief Grant. The project is scheduled for completion in the 2024/2025 financial year. A rollover application was submitted.

f) Water: (1) Savings were realised on the Water Treatment Works Upgrade in Albertinia (R1 082 801.76), while the amount of R214 500 allocated to the "New Reservoir & Pumps - GLS- Still Bay West" project was not spent.

g) Housing: The projects for housing were found to be operating in nature instead of capital. The budget on capital remained unspent.

In the **2024/25** financial year 98,15% of the capital budget was spent. The actual expenditure was R237 139 million to a capital budget of R241 619 million.

a) Executive and Council: Savings realised on the purchases of 2 laptops and furniture and office equipment

b) Community and Social Services: R51 576 of the unspent amount can be attributed to a delay in delivery and installation of airconditioners at the Thusong Centre caused by internal challenges faced by the supplier. It was requested that the amount be rolled over. The rest of the unspent amount are savings on the purchases of computer equipment, airconditioners, and fridges for the community halls.

c) Public Safety: An order amounting to R200 000 for 2 Fire Fighting Trailers was cancelled due to the supplier not delivering ; A delay in the procurement of an extention ladder (R56 850) led to a request for rollover to 2025/2026;Two projects i.r.t new motor vehicle registration service points in Albertinia and Still Bay could not be completed and unspent amounts of R43 878 and R100 000 will be requested for rollovers; Savings of R110 400 realised on a Traffic Line Ride-On Machine; The balance of the unspent amounts is attributed to savings realised on various projects.

d) Housing: The projects for housing were found to be operating in nature instead of capital. The budget on capital remained unspent.

e) Waste Water Management: The variance are mainly attributed to the unspending of an amount for the procurement of generators and there were savings on various line items. Projects were completed, with savings realised on Water security measures (R277 344.63, Replacement of water infrastructure (R105 000.11), Pumps Hessequa (R11 509) and the Refurbishment at WTW Stilbaai (R143 280)"

f) Other: An amount of R6964.20 was journalised to materials & supplies on the operating budget owing to the nature of the procured items. The rest of the projects was completed with savings. The unspent balance is attributed to savings realised.

1.1.2 REMEDIAL Action taken on Audit Outcomes of Prior Year

Hessequa Municipality has proudly received Clean Audit Reports for the 2014/15, 2015/16, 2016/17, 2017/18, 2018/19, 2019/20, 2020/21, 2021/22, 2022/23, 2023/24 and 2024/25 Financial years. The key issues identified in the Audit Report for 2024/25 and progress in resolving will be tabled before Council at a later stage.

(C) MID-YEAR PERFORMANCE ASSESSMENT

Municipal adjustment 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 revise or accelerate spending programmers already budgeted for;

(c) may, within a prescribed framework, authorize unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;

(d) may authorize the utilization of projected savings in one vote towards spending under another vote;

(e) may authorize the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonable 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.

Resolutions

If the mid-year review is tabled in the municipal council, resolutions dealing with at least the following matters must be prepared and presented as part of the documentation, as may be relevant-

(a) Noting the monthly budget statement and any supporting documents

(b) Noting the quarterly report on the implementation of the budget and the financial affairs for the municipality referred to in section 52(d) of the Act.

(c) Noting the mid-year budget and performance assessment referred to in section 72 of the Act,

(d) Noting the in-year reports of any municipal entities

(e) Any other resolutions that may be required

Recommendation

That Council takes cognizance of the 2025/26 Mid-Year Budget and Performance Assessment as tabled in terms of Section 54 of the Municipal Finance Management Act.

That an Adjustment Budget for 2025/26 be submitted to Council to accommodate all new allocations and any other adjustments to the budget.

Summary of National and Provincial adjustments

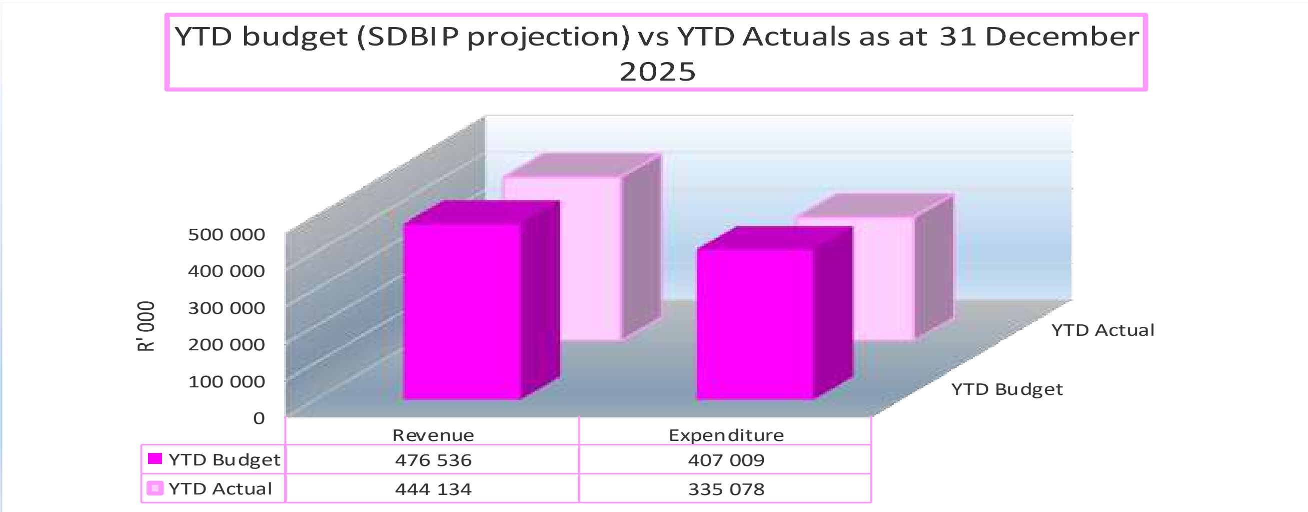
The following provincial adjustments will have a significant effect on the Operating Revenue and Expenditure Budget as well as on the Capital budget for 2025/2026.

2025/26 MTEF MUNICIPAL CONDITIONAL GRANT ALLOCATIONS:			
Hessequa Municipality	2025/26 Allocation (R'000)	2025/26 Amendment (R'000)	2025/26 Amended Allocation (R'000)
Vote 10 - Infrastructure	**31 082**	**(23 285)**	**7 797**
Infrastructure	135		135
Human Settlements Development Grant (Beneficiaries)	21 592	(15 849)	5 743
Provincial Contribution Towards the Acceleration of Housing Delivery	7 422	(7 422)	-
Title Deeds Restoration Grant	692	(3)	689
Informal Settlements Upgrading Partnership Grant	1 241	(11)	1 230

2. BUDGET PERFORMANCE ANALYSIS

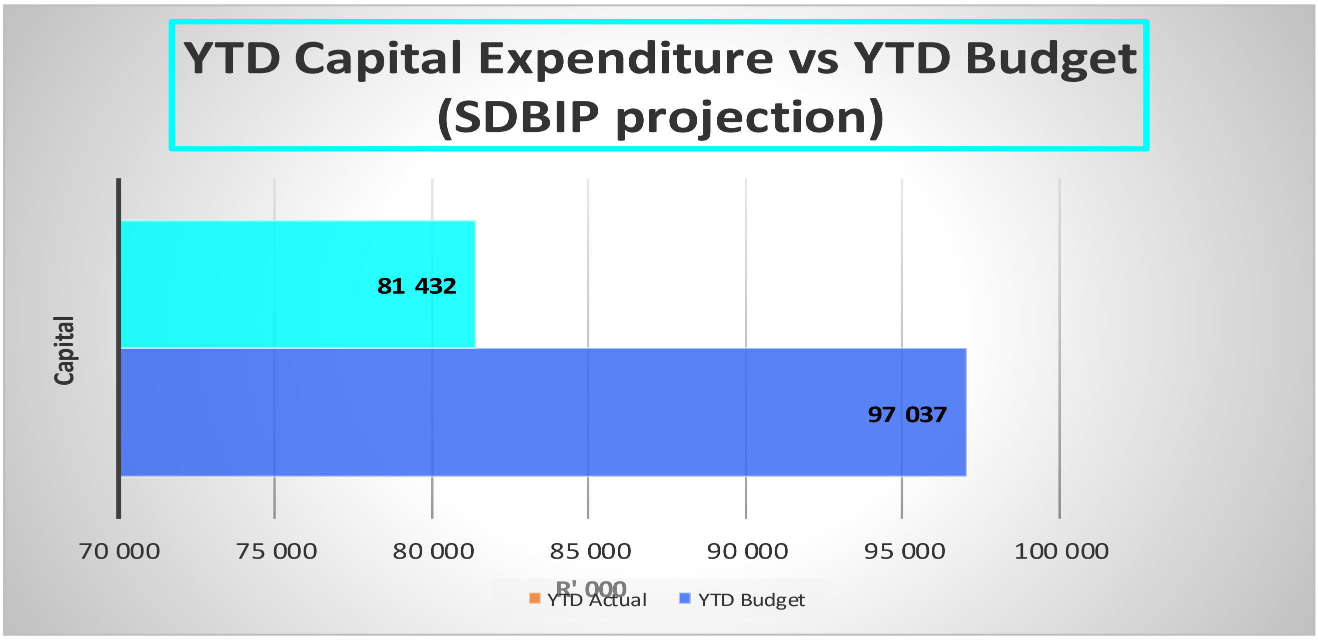
2.1 BUDGET OVERVIEW

The year-to-date Revenue (Including Capital Transfers) for the six months ended 31 December 2025 is R444, 134 million against a SDBIP projection of R476, 536 million. The year-to-date Expenditure for the six months ended 31 December 2025 is R335, 078 million against a SDBIP projection of R407, 009 million resulting in an under expenditure of 18%. Below is a graphical representation of the YTD Budget to YTD Actuals as of 31 December 2025.



	Revenue	Expenditure
YTD Budget	476 536	407 009
YTD Actual	444 134	335 078

The capital expenditure at 31 December 2025 is R81, 432 million against a SDBIP projection of R97, 037 million.



2.1.1 FREE BASIC SERVICES

INDIGENT BILLING MOVEMENT - DECEMBER 2025				
Number of Indigents			4700	BP956
Service	**Subsidy Description**	**Number of Households**	**Reference**	**Subsidy Value**
Property Rates	Property Rates Rebate	2,360	BP953: 12/2025Billing	R 161,857.39
			Backdated Subsidy (BE388)	
		0	Rebate reversal >R850k - Not included on the BP953 report. (December 2025)	-R 10,213.99
Housing/ Rentals	Municipal	15	Journal - Muni Rentals (November 2025)	R 7,091.40
	Informal Housing	198	BP953: 12/2025Billing	R 6,574.96
			Backdated Subsidy (BE388)	
Sewerage/ Sanitation	Basic Fees	4384	BP953: 12/2025Billing	R 941,384.55
		0	Backdated Subsidy - Basic Fees (BE388)	
	Availability	5	BP953: 12/2025Billing	R 1,100.40
		0	Backdated Subsidy - Basic Fees (BE388)	
	Septic Tank	72	BP953: 12/2025Billing	R 16,056.00
		0	Backdated Subsidy - Basic Fees (BE388)	
Refuse/ Cleansing	Removal Fees	4482	BP953: 12/2025Billing	R 1,057,107.00
		0	Backdated Subsidy - Removal(BE388)	
	Refuse Rural	0	BP953: 12/2025Billing	
Water	Free Consumption	4165	BS-546(Excl.VAT, rounded)	R 242,378.14
			Rounding	R 0.01
		7	Interim Reversal	R 574.80
	Pre-Paid Water(ONTEC)	1	ONCTEC MMR	R 66.12
	Pre-Paid Water(KENT)	0	KENT - DES.25	
	Basic Fees - Water Fee	4172	BP953: 12/2025Billing	R 789,536.00
		0	Backdated Subsidy (BE388)	
	Basic Fees-Pre-Paid	328	BP953: 12/2025Billing	R 64,288.00
Electricity - Free Units	50 kwH Free Units (Pre-Paid)	4080	Report-ONTEC	R 389,476.80
	Free Units (ESKOM)	527	Report-ESKOM: Desember 2025	R 57,819.81
Other[5 KATC]	Category C - (Old-Age Home Benefit) October 2024	6	R130.434*Consumers	R 16,434.78

GENERAL LEDGER DETAIL - DECEMBER 2025						
SERVICE DESCRIPTION	VOTE (NOV 2025)	BUDGET	YEAR TO DATE	GENERAL LEDGER MOVEMENT	BILLING	DIFFERENCE
Property Rates Rebate	4010102510012RB2ZZWM	R 2,214,043.00	R 1,009,813.62	R 151,643.40	R 151,643.40	R0.00
Rental	5210140200012FB7ZZWM	R 180,728.00	R 79,988.83	R 13,666.36	R 13,666.36	R0.00
Sewerage	7010132302012FB9ZZWM	R 13,232,791.00	R 5,551,280.30	R 942,484.95	R 942,484.95	R0.00
Septic Tank	7110132308312FB9ZZWM	R 259,439.00	R 132,824.00	R 16,056.00	R 16,056.00	R0.00
Refuse	7210132203012FB8ZZWM	R 15,156,807.00	R 6,221,247.00	R 1,057,107.00	R 1,057,107.00	R0.00
Water (6 KL)	7310132402012FB4ZZWM	R 3,559,838.00	R 1,479,777.05	R 282,492.71	R 243,019.07	R39,473.64
Water Basic Fees	7310132402012FBAZZWM	R 11,206,555.00	R 5,020,222.21	R 853,824.00	R 853,824.00	R0.00
Electricity - Free Units	7410132119012FB1ZZWM	R 5,774,792.00	R 1,863,007.85	R 435,786.96	R 447,296.61	-R11,509.65
Category C - Indigents	7410132119012FB5ZZWM	R 381,232.00	R 97,304.34	R 16,434.78	R 16,434.78	R0.00
	Grand Total	**R 51,966,225.00**	**R 21,455,465.20**	**R 3,769,496.16**	**R 3,741,532.17**	**R27,963.99**

2.1.2 IN YEAR BUDGET TABLES

Section 33 of Municipal Budget and Reporting Regulations requires that if a municipality does not have any municipal entities, the in-year budget statement tables must consist of the following tables:

(a) Table C1 s71 Monthly Budget Statement Summary

(b) Table C2 Monthly Budget Statement – Financial Performance (Standard Classification)

(c) Table C3 Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote)

(d) Table C4 Monthly Budget Statement – Financial Performance (revenue and expenditure)

(e) Table C5 Monthly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding)

(f) Table C6 Monthly Budget Statement – Financial Position

(g) Table C7 Monthly Budget Statement – Cash Flow

Table C1: Monthly Budget Summary

WC042 Hessequa - Table C1 Monthly Budget Statement Summary - M06 December

Description	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	140 197	148 312	148 312	12 704	82 092	83 594	(1 502)	-2%	148 312
Service charges	365 374	384 481	384 481	33 801	185 105	200 439	(15 334)	-8%	384 481
Investment revenue	46 305	36 046	36 046	19 741	5 212	11 512	(6 300)	-55%	36 046
Transfers and subsidies - Operational	68 053	75 755	75 755	22 791	52 098	52 983	(885)	(0)	75 755
Other own revenue	148 402	162 747	162 747	23 606	79 721	93 642	(13 921)	-15%	162 747
Total Revenue (excluding capital transfers and contributions)	**768 330**	**807 340**	**807 340**	**112 643**	**404 229**	**442 170**	**(37 941)**	**-9%**	**807 340**
Employee costs	230 661	270 128	270 128	23 116	124 499	146 937	(22 438)	-15%	270 128
Remuneration of Councillors	9 128	9 690	9 690	771	4 563	4 845	(282)	-6%	9 690
Depreciation and amortisation	44 248	52 188	52 188	23 199	23 199	23 485	(286)	-1%	52 188
Interest	21 681	19 809	19 809	5 993	5 993	5 654	339	6%	19 809
Inventory consumed and bulk purchases	227 444	259 979	256 056	22 327	118 599	129 013	(10 414)	-8%	256 056
Transfers and subsidies	2 613	2 502	2 502	80	1 375	1 251	124	10%	2 502
Other expenditure	153 821	191 601	195 525	12 332	56 850	95 824	(38 974)	-41%	195 525
Total Expenditure	**689 597**	**805 898**	**805 898**	**87 818**	**335 078**	**407 009**	**(71 931)**	**-18%**	**805 898**
Surplus/(Deficit)	**78 733**	**1 442**	**1 442**	**24 825**	**69 151**	**35 161**	**33 990**	**97%**	**1 442**
Transfers and subsidies - capital (monetary	161 096	62 341	62 341	96	39 905	34 365	5 540	16%	62 341
Transfers and subsidies - capital (in-kind)	591	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**240 420**	**63 783**	**63 783**	**24 921**	**109 056**	**69 527**	**39 530**	**57%**	**63 783**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**240 420**	**63 783**	**63 783**	**24 921**	**109 056**	**69 527**	**39 530**	**57%**	**63 783**
Capital expenditure & funds sources									
Capital expenditure	**237 139**	**187 628**	**189 560**	**21 264**	**81 432**	**97 037**	**(15 604)**	**-16%**	**189 560**
Capital transfers recognised	143 410	62 341	62 341	2 817	42 116	16 681	25 435	152%	62 341
Borrowing	–	50 000	50 000	8 636	15 407	28 350	(12 943)	-46%	50 000
Internally generated funds	**93 729**	**75 287**	**77 219**	**9 810**	**23 909**	**52 005**	**(28 097)**	**-54%**	**77 219**
Total sources of capital funds	**237 139**	**187 628**	**189 560**	**21 264**	**81 432**	**97 037**	**(15 604)**	**-16%**	**189 560**
Financial position									
Total current assets	529 808	453 099	451 167		573 805				451 167
Total non current assets	1 460 495	1 471 771	1 473 703		1 517 859				1 473 703
Total current liabilities	158 301	146 405	146 405		162 367				146 405
Total non current liabilities	259 658	301 986	301 986		247 896				301 986
Community wealth/Equity	**1 572 345**	**1 476 479**	**1 476 479**		**1 681 401**				**1 476 479**
Cash flows									
Net cash from (used) operating	1 299 356	119 297	117 485	7 413	98 379	78 825	(19 553)	-25%	117 485
Net cash from (used) investing	(235 881)	(177 628)	(179 560)	(22 134)	(76 242)	(86 539)	(10 297)	12%	(179 560)
Net cash from (used) financing	945	27 343	27 343	(11 661)	(11 163)	12 352	23 515	190%	27 343
Cash/cash equivalents at the month/year end	**1 551 941**	**361 587**	**357 843**	**685 509**	**449 930**	**397 214**	**(52 716)**	**-13%**	**357 843**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis									
Total By Income Source	37 876	6 821	3 917	3 070	3 433	2 878	8 802	32 671	99 468
Creditors Age Analysis									
Total Creditors	67 870	-	-	-	-	-	-	-	67 870

2.2 REVENUE AND EXPENDITURE

Table C2: shows Financial Performance by Standard Classification

WC042 Hessequa - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		234 881	214 112	214 112	32 946	108 808	118 682	(9 873)	-8%	214 112
Executive and council		21 374	18 699	18 699	0	17 401	18 079	(678)	-4%	18 699
Finance and administration		213 507	195 413	195 413	32 946	91 407	100 603	(9 196)	-9%	195 413
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		104 960	119 533	119 533	21 673	56 800	64 832	(8 032)	-12%	119 533
Community and social services		10 800	12 970	12 970	1 092	4 826	6 474	(1 649)	-25%	12 970
Sport and recreation		16 995	15 737	15 737	1 951	3 476	10 609	(7 134)	-67%	15 737
Public safety		51 627	67 044	67 044	18 590	48 362	35 834	12 528	35%	67 044
Housing		25 538	23 782	23 782	40	137	11 914	(11 777)	-99%	23 782
Health		–	–	–	–	–	–	–		–
Economic and environmental services		17 973	27 999	27 999	449	12 878	15 402	(2 524)	-16%	27 999
Planning and development		7 720	21 923	21 923	239	11 611	11 150	461	4%	21 923
Road transport		9 643	5 342	5 342	111	973	3 936	(2 963)	-75%	5 342
Environmental protection		610	734	734	98	293	315	(22)	-7%	734
Trading services		571 723	507 569	507 569	57 575	265 552	277 386	(11 834)	-4%	507 569
Energy sources		387 909	306 808	306 808	28 089	164 172	158 827	5 345	3%	306 808
Water management		79 614	89 874	89 874	9 555	46 910	45 725	1 185	3%	89 874
Waste water management		52 580	57 513	57 513	16 434	32 915	38 426	(5 512)	-14%	57 513
Waste management		51 620	53 374	53 374	3 497	21 555	34 408	(12 853)	-37%	53 374
Other	4	480	469	469	96	96	234	(138)	-59%	469
Total Revenue - Functional	2	**930 018**	**869 682**	**869 682**	**112 739**	**444 134**	**476 536**	**(32 401)**	**-7%**	**869 682**
Expenditure - Functional										
Governance and administration		97 675	123 994	124 004	7 689	49 265	65 160	(15 896)	-24%	124 004
Executive and council		32 051	38 056	38 056	2 413	15 157	19 785	(4 628)	-23%	38 056
Finance and administration		63 565	83 523	83 533	5 110	32 924	44 071	(11 148)	-25%	83 533
Internal audit		2 059	2 414	2 414	166	1 184	1 304	(120)	-9%	2 414
Community and public safety		148 202	188 872	188 842	13 111	54 814	97 031	(42 217)	-44%	188 842
Community and social services		25 254	29 305	29 305	3 321	14 877	15 350	(473)	-3%	29 305
Sport and recreation		33 899	40 870	40 648	4 580	17 548	21 252	(3 703)	-17%	40 648
Public safety		63 423	93 526	93 719	4 831	20 929	47 765	(26 836)	-56%	93 719
Housing		25 626	25 170	25 170	379	1 460	12 664	(11 204)	-88%	25 170
Health		–	–	–	–	–	–	–		–
Economic and environmental services		83 692	92 464	93 220	16 647	46 528	47 935	(1 407)	-3%	93 220
Planning and development		12 871	16 367	16 422	1 052	7 304	8 814	(1 510)	-17%	16 422
Road transport		64 581	68 802	69 503	15 022	35 878	35 242	636	2%	69 503
Environmental protection		6 240	7 295	7 295	572	3 347	3 879	(533)	-14%	7 295
Trading services		358 722	399 081	398 345	50 267	183 724	196 114	(12 390)	-6%	398 345
Energy sources		221 041	239 667	239 928	26 101	116 035	120 456	(4 421)	-4%	239 928
Water management		49 546	58 489	56 684	8 591	23 933	29 033	(5 100)	-18%	56 684
Waste water management		46 854	51 080	51 275	9 711	24 245	25 704	(1 459)	-6%	51 275
Waste management		41 281	49 845	50 458	5 864	19 510	20 921	(1 411)	-7%	50 458
Other		1 307	1 487	1 487	104	747	769	(22)	-3%	1 487
Total Expenditure - Functional	3	**689 597**	**805 898**	**805 898**	**87 818**	**335 078**	**407 010**	**(71 932)**	**-18%**	**805 898**
Surplus/ (Deficit) for the year		**240 420**	**63 783**	**63 783**	**24 921**	**109 056**	**69 526**	**39 530**	**0.5685697**	**63 783**

Table C3: shows Financial Performance by municipal vote

The municipal votes reflect the organizational structure of the municipality which is made up of the following Directorates:

(a) Municipal Manager

(b) Corporate Services

(c) Financial Services

(d) Community Services

(e) Technical Services

(f) Spatial Planning & Environmental Management

WC042 Hessequa - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 01 - Office Of The Mm		21 374	18 699	18 699	0	17 401	18 079	(678)	-3.7%	18 699
Vote 02 - Corporate Services		26 579	28 703	28 703	2 999	7 956	17 084	(9 128)	-53.4%	28 703
Vote 03 - Financial Services		190 742	189 357	189 357	32 685	88 940	97 436	(8 496)	-8.7%	189 357
Vote 04 - Community Services		77 383	91 050	91 050	18 630	48 687	47 782	905	1.9%	91 050
Vote 05 - Technical Services		605 131	518 747	518 747	57 991	269 149	284 454	(15 305)	-5.4%	518 747
Vote 06 - Spatial Plannign & Environmental Management		8 810	23 126	23 126	434	12 001	11 700	301	2.6%	23 126
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	**930 018**	**869 682**	**869 682**	**112 739**	**444 134**	**476 536**	**(32 401)**	**-6.8%**	**869 682**
Expenditure by Vote	1									
Vote 01 - Office Of The Mm		36 853	44 066	44 066	2 808	18 079	23 017	(4 938)	-21.5%	44 066
Vote 02 - Corporate Services		55 759	68 293	68 303	6 606	29 906	35 966	(6 061)	-16.9%	68 303
Vote 03 - Financial Services		39 178	49 427	49 437	3 469	20 138	26 057	(5 919)	-22.7%	49 437
Vote 04 - Community Services		95 985	126 277	126 470	6 112	26 908	64 391	(37 483)	-58.2%	126 470
Vote 05 - Technical Services		444 148	496 281	496 013	67 322	230 387	246 043	(15 656)	-6.4%	496 013
Vote 06 - Spatial Plannign & Environmental Management		17 675	21 554	21 609	1 500	9 659	11 534	(1 875)	-16.3%	21 609
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	**689 597**	**805 898**	**805 898**	**87 818**	**335 078**	**407 009**	**(71 931)**	**-17.7%**	**805 898**
Surplus/ (Deficit) for the year	2	**240 420**	**63 783**	**63 783**	**24 921**	**109 056**	**69 527**	**39 530**	**56.9%**	**63 783**

2.2.1 REVENUE BY SOURCE FOR THE SIX MONTHS ENDED 31 DECEMBER 2025 (TABLE C4)

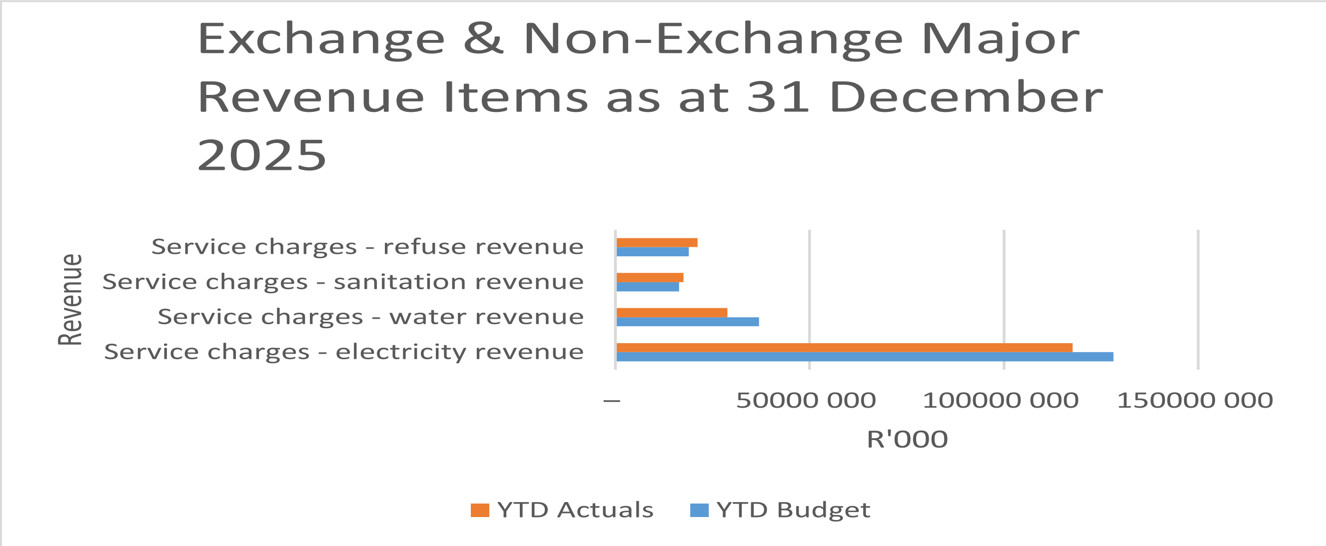
Table C4: shows Financial Performance by Source

WC042 Hessequa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		236 044	256 387	256 387	21 342	117 599	128 193	(10 594)	-8%	256 387
Service charges - Water		59 596	58 186	58 186	6 172	28 875	36 922	(8 047)	-22%	58 186
Service charges - Waste Water Management		31 842	32 413	32 413	2 868	17 511	16 411	1 100	7%	32 413
Service charges - Waste management		37 892	37 496	37 496	3 420	21 119	18 913	2 207	12%	37 496
Sale of Goods and Rendering of Services		51 900	52 668	52 668	3 224	9 857	29 338	(19 480)	-66%	52 668
Agency services		3 213	3 716	3 716	252	1 710	1 600	110	7%	3 716
Interest								–		
Interest earned from Receivables		3 440	3 019	3 019	305	1 734	1 534	200	13%	3 019
Interest from Current and Non Current Assets		46 305	36 046	36 046	19 741	5 212	11 512	(6 300)	-55%	36 046
Dividends								–		
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		4 431	4 622	4 622	319	2 907	2 613	293	11%	4 622
Licence and permits		2	–	–	0	1	–	1	#DIV/0!	–
Special rating levies								–		
Operational Revenue		5 028	11 390	11 390	146	4 269	5 666	(1 398)	-25%	11 390
Non-Exchange Revenue								–		
Property rates		140 197	148 312	148 312	12 704	82 092	83 594	(1 502)	-2%	148 312
Surcharges and Taxes								–		
Fines, penalties and forfeits		44 899	60 606	60 606	18 128	45 480	32 899	12 580	38%	60 606
Licence and permits		2 344	2 552	2 552	238	1 158	1 225	(67)	-5%	2 552
Transfers and subsidies - Operational		68 053	75 755	75 755	22 791	52 098	52 983	(885)	-2%	75 755
Interest		837	911	911	67	389	503	(114)	-23%	911
Fuel Levy								–		
Operational Revenue		11 374	13 264	13 264	927	6 158	13 264	(7 106)	-54%	13 264
Gains on disposal of Assets		1 258	10 000	10 000	–	6 060	5 000	1 060	21%	10 000
Other Gains		19 676	–	–	–	–	–	–		–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**768 330**	**807 340**	**807 340**	**112 643**	**404 229**	**442 170**	**(37 941)**	**-9%**	**807 340**
Expenditure By Type										
Employee related costs		230 661	270 128	270 128	23 116	124 499	146 937	(22 438)	-15%	270 128
Remuneration of councillors		9 128	9 690	9 690	771	4 563	4 845	(282)	-6%	9 690
Bulk purchases - electricity		187 077	212 192	212 192	18 464	96 302	106 096	(9 794)	-9%	212 192
Inventory consumed		40 368	47 787	43 863	3 863	22 297	22 917	(620)	-3%	43 863
Debt impairment		31 801	4 014	4 014	–	–	2 007	(2 007)	-100%	4 014
Depreciation and amortisation		44 248	52 188	52 188	23 199	23 199	23 485	(286)	-1%	52 188
Interest		21 681	19 809	19 809	5 993	5 993	5 654	339	6%	19 809
Contracted services		71 920	81 852	85 653	4 815	24 384	41 836	(17 452)	-42%	85 653
Transfers and subsidies		2 613	2 502	2 502	80	1 375	1 251	124	10%	2 502
Irrecoverable debts written off		8 212	56 546	56 546	1 329	5 831	27 319	(21 488)	-79%	56 546
Operational costs		37 914	49 189	49 312	5 318	25 764	24 661	1 103	4%	49 312
Losses on Disposal of Assets		1 065	–	–	870	870	–	870	#DIV/0!	–
Other Losses		2 908	–	–	–	–	–	–		–
Total Expenditure		**689 597**	**805 898**	**805 898**	**87 818**	**335 078**	**407 009**	**(71 931)**	**-18%**	**805 898**
Surplus/(Deficit)		**78 733**	**1 442**	**1 442**	**24 825**	**69 151**	**35 161**	**33 990**	**0**	**1 442**
Transfers and subsidies - capital (monetary allocations)		161 096	62 341	62 341	96	39 905	34 365	5 540	0	62 341
Transfers and subsidies - capital (in-kind)		591	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**240 420**	**63 783**	**63 783**	**24 921**	**109 056**	**69 527**	**39 530**	**0**	**63 783**
Income Tax								–		
Surplus/(Deficit) after income tax		**240 420**	**63 783**	**63 783**	**24 921**	**109 056**	**69 527**	**39 530**	**0**	**63 783**
Share of Surplus/Deficit attributable to Joint Venture								–		
Share of Surplus/Deficit attributable to Minorities								–		
Surplus/(Deficit) attributable to municipality		**240 420**	**63 783**	**63 783**	**24 921**	**109 056**	**69 527**	39 530	0	**63 783**
Share of Surplus/Deficit attributable to Associate								–		
Intercompany/Parent subsidiary transactions								–		
Surplus/ (Deficit) for the year		**240 420**	**63 783**	**63 783**	**24 921**	**109 056**	**69 527**	**39 530**	**0**	**63 783**

Exchange Revenue

Service Levies:



Electricity Service

Levies for the year-to-date stands at R117,599 million, in comparison with the budgeted SDBIP amount of R128,193 million. The deviation can be attributed to the reversal of a provisions journal for electricity sales billed in 2025/26 but accounted for in the 2024/25 financial year. No material deviations are expected at this stage as another provision will be made at year-end.

Water Service

Levies for the year-to-date stands at R28,875 million, in comparison with the budgeted SDBIP projection of R36,922 million. The deviation is due to the reversal of a provisions journal for water sales billed in 2025/26 but accounted for in the 2024/25 financial year. No material deviations are expected at this stage as another provision will be made at year-end.

Sewerage Service

Levies for the year-to-date stands at R17,511 million, in comparison with the budgeted SDBIP projection of R16,411 million. The deviation will be assessed for possible amendment during the main adjustment budget in February 2026.

Refuse Removal Service

Levies for the year-to-date stands at R21,119 million, in comparison with the budgeted SDBIP projection of R18,913 million. The revenue for the year-to-date is more than projected during the budgeting process. The deviation will be assessed for possible amendment during the main adjustment budget in February 2026.

Sale of Goods and Rendering of Services

Revenue for the year-to-date stands at R9,857 million, in comparison with the budgeted SDBIP projection of R29,338 million. The deviation is largely due to the library grant and the construction contract revenue actuals not being aligned with the SDBIP budgeted distributions. Revenue is only recognized after the conditions for these allocations have been met. No material deviations are expected at this stage.

Agency Fees

Revenue for the year-to-date stands at R1,710 million, in comparison with the budgeted SDBIP projection of R1,600 million. No deviation is expected at this stage.

Interest earned from Receivables

Levies for the year-to-date stands at R1,734 million, in comparison with the budgeted SDBIP projection of R1,534 million. No deviation is expected at this stage.

Interest earned from Current and Non-Current Assets

Revenue for the year-to-date amounts to R5,212 million, in comparison with the budgeted SDBIP projection of R11,512 million. The deviation is due to a provisions journal in respect of interest for 2024/2025 being reversed in October 2025. Another provision will be processed at year-end for 2025/2026. No material deviations are expected at year-end at this stage.

Rental from Fixed Assets

Levies and revenue for the year-to-date stands at R2,907 million, in comparison with the budgeted SDBIP projection of R2,613 million. No deviation is expected at this stage.

Licenses & Permits

Revenue for the year-to-date stands at R0,001 million, in comparison with the budgeted SDBIP projection of R0,000 million. No deviation is expected at this stage.

Operational Revenue

Revenue for the year-to-date stands at R4,269 million, in comparison with the budgeted SDBIP projection of R5,666 million. The deviation can be attributed to development charges that are currently behind budgeted projections. The deviation will be assessed for possible amendment during the main adjustments budget in February 2026.

Non- Exchange Revenue

Property Rates:

Levies for the year-to-date amounts to R82,092 million, in comparison with the budget of R83,594 million. The deviation is attributed to a misalignment between the projections and the actual levies for the year-to-date. The deviation is expected to be eliminated as the year progresses. No deviation is expected at year- end.

Fines, penalties and forfeits

Revenue for the year-to-date stands at R45,480 million, in comparison with the budgeted SDBIP projection of R32,899 million. Fines issued and cash receipts for the year-to-date overperformed when compared to the SDBIP projections and the prior year's revenue. The budget will be adjusted during the main adjustments budget to bring it into alignment with actual performance.

Licenses & Permits

Revenue for the year-to-date stands at R1,158 million, in comparison with the budgeted SDBIP projection of R1,225 million. No deviation is expected at this stage.

Grants & Subsidies - Operating:

Revenue for the year-to-date stands at R52,098 million, in comparison with the budgeted SDBIP projection of R52,983 million. Income is only recognized after the conditions of a grant are met. No deviation is expected at this stage.

Grants & Subsidies - Capital:

Revenue for the year-to-date stands at R39,905 million, in comparison with the budgeted SDBIP projection of R34,365 million. Income is only recognized after the conditions of a grant is met. No deviation is expected at this stage.

Interest earned from Receivables

Levies for the year-to-date stand R0,389 million, in comparison with the budgeted SDBIP projection of R0,503 million. No deviation is expected at this stage.

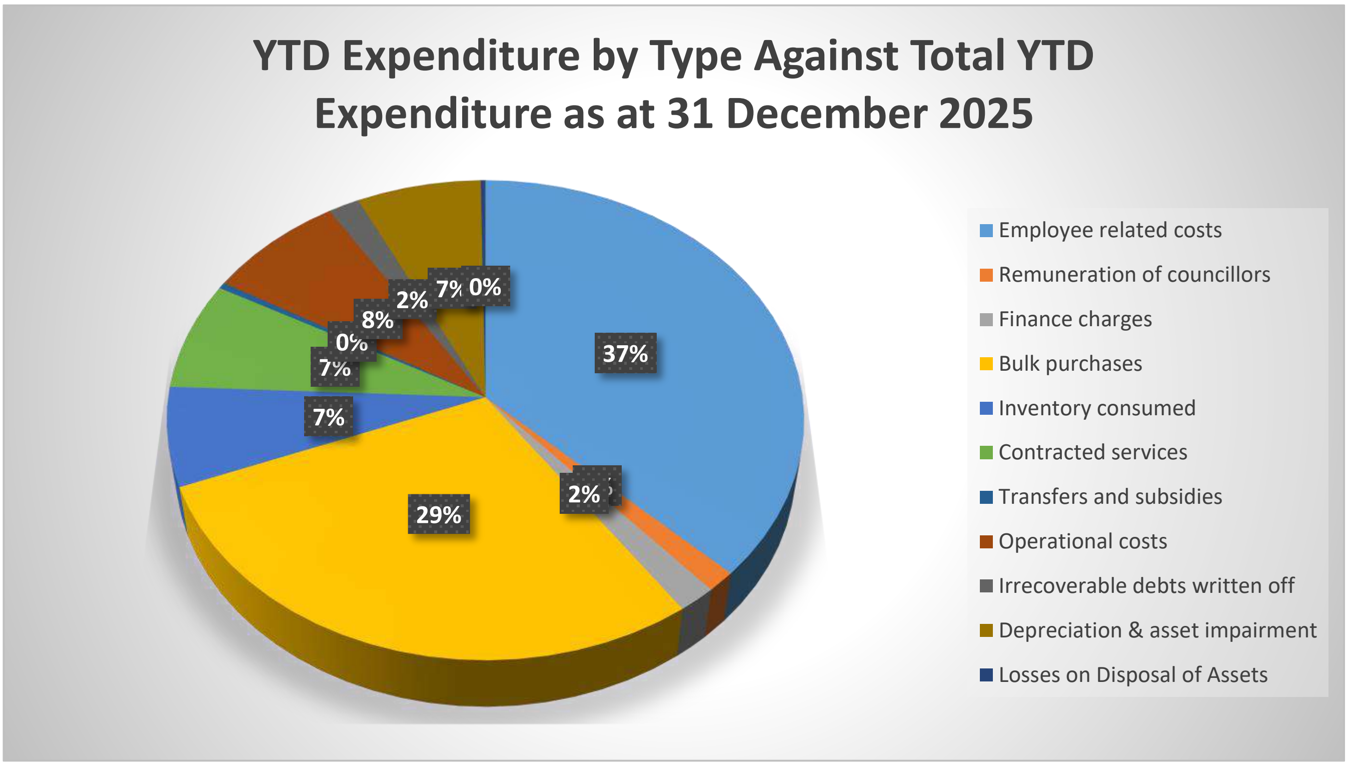
Operational Revenue:

Revenue for the year-to-date stands at R6,158 million, in comparison with the budgeted SDBIP projection of R13,264 million. The deviation can be attributed to the SDBIP projection for availability charges not being in line with the levies for the year-to-date. The projected distributions will be corrected during the main adjustments budget. No material deviation is expected at year-end at this stage.

Sale of land and PPE:

Revenue for the year-to-date stands at R6,060 million, in comparison with the budgeted SDBIP projection of R5,000 million. The deviation is resultant from a transaction initially budgeted to be completed in 2024/2025, only realizing in the current financial year. With the culmination of these transactions in the current year, a positive deviation is expected at this stage. Revenue will be monitored and adjusted during the main adjustments budget.

2.2.2 EXPENDITURE BY TYPE FOR THE PERIOD ENDED 31 DECEMBER 2025 (TABLE C4 ABOVE)



Personnel Expenditure:
The year-to-date expenditure amounts to R124,499 million, in comparison with the budgeted SDBIP projection of R146,937 million. The deviation can be attributed to vacant posts that are still in the process of being filled. The SDBIP projections also do not take actuarial valuations that are done at year end into account. The deviation will be assessed for possible amendment during the main adjustment budget in February 2026.

Councillors Remuneration:
The expenditure for the period to date amounts to R4,563 million in comparison with the budgeted SDBIP projection of R4,845 million. No material deviations are expected at this stage.

Bulk purchases- electricity:
The expenditure for the year-to-date is R96,302 million, in comparison with the budgeted SDBIP projection of R106,096 million. The deviation can be attributed to instances where the last invoice for a month is only received at the start of the following month. Payment for invoices received after the end of December 2025 will be made in January 2026. No material deviations are expected at this stage.

Inventory Consumed
The expenditure for the year-to-date is R22,297 million, in comparison with the budgeted SDBIP projection of R22,917 million. No material deviation is expected at this stage.

Debt Impairment:
The expenditure for the period to date amounts to R0,0 million, in comparison with the budgeted SDBIP projection of R2,007 million. Debt impairment will be assessed for possible amendments during the main adjustment budget in February 2026.

Depreciation:

The year-to-date expenditure is R23,199 million, in comparison with the budgeted SDBIP projection of R23,485 million. No material deviation is expected at this stage.

Interest on External Borrowing:

The year-to-date expenditure is R5,993 million in comparison with the budgeted SDBIP projection of R5,654 million. Interest payments are made bi- annually in December and June.

Contracted Services:

The expenditure for the year-to-date is R24,384 million, in comparison with the budgeted SDBIP projection of R41,836 million. The deviation can be attributed to the actual expenditure not being in line with the budgeted projections. Expenditure will increase over the following months, which will result in deviation decreasing. No material deviations are expected at this stage.

Transfers & Grants:

The expenditure for the year-to-date amounts to R1,375 million in comparison with the budgeted SDBIP projection of R1,251 million. No material deviations are expected at this stage.

Irrecoverable debts written off:

The expenditure for the period to date amounts to R5,831 million, in comparison with the budgeted SDBIP projection of R27,319 million. The deviation is attributed to traffic fines where no write-offs have taken place yet, while budgeted projections are monthly. The projections will be corrected during the main adjustments budget. No material deviations are expected at this stage.

Operational Costs:

The year-to-date expenditure is R25,764 million, in comparison with the budgeted SDBIP projection of R24,661 million. No material deviations are expected at this stage.

2.3 CAPITAL BUDGET PERFORMANCE FOR THE SIX MONTHS ENDED DECEMBER 2025

TABLE C5: SHOWS CAPITAL EXPENDITURE

WC042 Hessequa - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 01 - Office Of The Mm		–	–	–	–	–	–	–		–
Vote 02 - Corporate Services		329	250	249	9	200	250	(50)	-20%	249
Vote 03 - Financial Services		–	–	–	–	–	–	–		–
Vote 04 - Community Services		512	1 020	1 072	44	182	298	(116)	-39%	1 072
Vote 05 - Technical Services		193 083	126 801	126 805	11 484	57 575	57 122	453	1%	126 805
Vote 06 - Spatial Plannign & Environmental Management		77	51	51	–	48	1	47	4691%	51
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 Capital Multi-year expenditure	4,7	**194 001**	**128 122**	**128 177**	**11 538**	**58 006**	**57 672**	**334**	**1%**	**128 177**
Single Year expenditure appropriation	2									
Vote 01 - Office Of The Mm		55	148	148	17	132	148	(16)	-11%	148
Vote 02 - Corporate Services		1 864	4 167	4 168	1 823	2 514	3 537	(1 023)	-29%	4 168
Vote 03 - Financial Services		258	758	758	407	695	688	6	1%	758
Vote 04 - Community Services		6 410	3 171	3 550	152	264	2 341	(2 077)	-89%	3 550
Vote 05 - Technical Services		33 903	50 301	51 359	7 299	19 653	32 220	(12 567)	-39%	51 359
Vote 06 - Spatial Plannign & Environmental Management		647	961	1 401	27	170	431	(261)	-61%	1 401
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 Capital single-year expenditure	4	43 138	59 506	61 383	9 726	23 426	39 365	**(15 938)**	**-40%**	61 383
Total Capital Expenditure		**237 139**	**187 628**	**189 560**	**21 264**	**81 432**	**97 037**	**(15 604)**	**-16%**	**189 560**
Capital Expenditure - Functional Classification										
Governance and administration		**2 044**	**16 417**	**15 977**	**2 421**	**3 962**	**15 002**	(11 040)	-74%	**15 977**
Executive and council		51	148	148	17	132	148	(16)	-11%	148
Finance and administration		1 994	16 269	15 829	2 404	3 831	14 854	(11 024)	-74%	15 829
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**10 032**	**7 982**	**8 413**	**513**	**1 314**	**6 400**	(5 086)	-79%	**8 413**
Community and social services		479	1 002	1 054	173	424	731	(307)	-42%	1 054
Sport and recreation		2 926	3 551	3 551	248	697	3 520	(2 824)	-80%	3 551
Public safety		2 932	1 183	1 562	91	191	523	(332)	-64%	1 562
Housing		3 694	2 246	2 246	1	2	1 626	(1 624)	-100%	2 246
Health								–		
Economic and environmental services		**47 696**	**34 928**	**35 368**	**8 524**	**9 973**	**24 388**	(14 415)	-59%	**35 368**
Planning and development		66	47	487	7	29	147	(118)	-80%	487
Road transport		47 424	34 386	34 386	8 512	9 866	24 191	(14 325)	-59%	34 386
Environmental protection		206	495	495	6	78	50	28	57%	495
Trading services		**176 910**	**127 831**	**129 332**	**9 790**	**66 072**	**51 010**	15 062	30%	**129 332**
Energy sources		150 472	78 821	78 821	4 290	48 864	26 768	22 096	83%	78 821
Water management		13 679	21 900	21 900	4 134	6 609	12 000	(5 391)	-45%	21 900
Waste water management		8 246	18 530	20 031	1 305	3 042	9 862	(6 821)	-69%	20 031
Waste management		4 514	8 580	8 580	61	7 557	2 380	5 177	218%	8 580
Other		457	470	470	15	111	236	(125)	-53%	470
Total Capital Expenditure - Functional Classification	3	**237 139**	**187 628**	**189 560**	**21 264**	**81 432**	**97 037**	**(15 604)**	**-16%**	**189 560**
Funded by:										
National Government		18 704	15 021	15 021	2 539	5 005	11 521	(6 516)	-57%	15 021
Provincial Government		122 196	47 320	47 320	278	37 111	5 160	31 951	619%	47 320
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		2 510	–	–	–	–	–	–		–
Transfers recognised - capital		**143 410**	**62 341**	**62 341**	**2 817**	**42 116**	**16 681**	**25 435**	**152%**	**62 341**
Borrowing	6	–	50 000	50 000	8 636	15 407	28 350	(12 943)	-46%	50 000
Internally generated funds		93 729	75 287	77 219	9 810	23 909	52 005	(28 097)	-54%	77 219
Total Capital Funding		**237 139**	**187 628**	**189 560**	**21 264**	**81 432**	**97 037**	**(15 604)**	**-16%**	**189 560**

2.3.1 CAPITAL REVENUE: AS PER TABLE C5 ABOVE

CAPITAL EXPENDITURE

The total capital expenditure for the year amounts to R81,432 million in comparison with the budgeted SDBIP projection of R97,037 million. 44,71% of the budget was spent by 31 December 2025. The deviation is largely attributable to the acquisition of a new municipal building which will currently not go ahead as initially planned for 2025/26, and the new water treatment works in Heidelberg which is currently still awaiting the final Environmental Impact Assessment study.

External Loans:

The total financing for the year-to-date is R15,407 million in comparison with the budgeted SDBIP projection of R28,350 million. The deviation can be attributed to several projects that are behind schedule, including the acquisition of a new municipal building which will not go ahead as initially planned. Spending will be reviewed during the main adjustments budget process and funds will be reprioritized if the need arises.

Internal Financing:

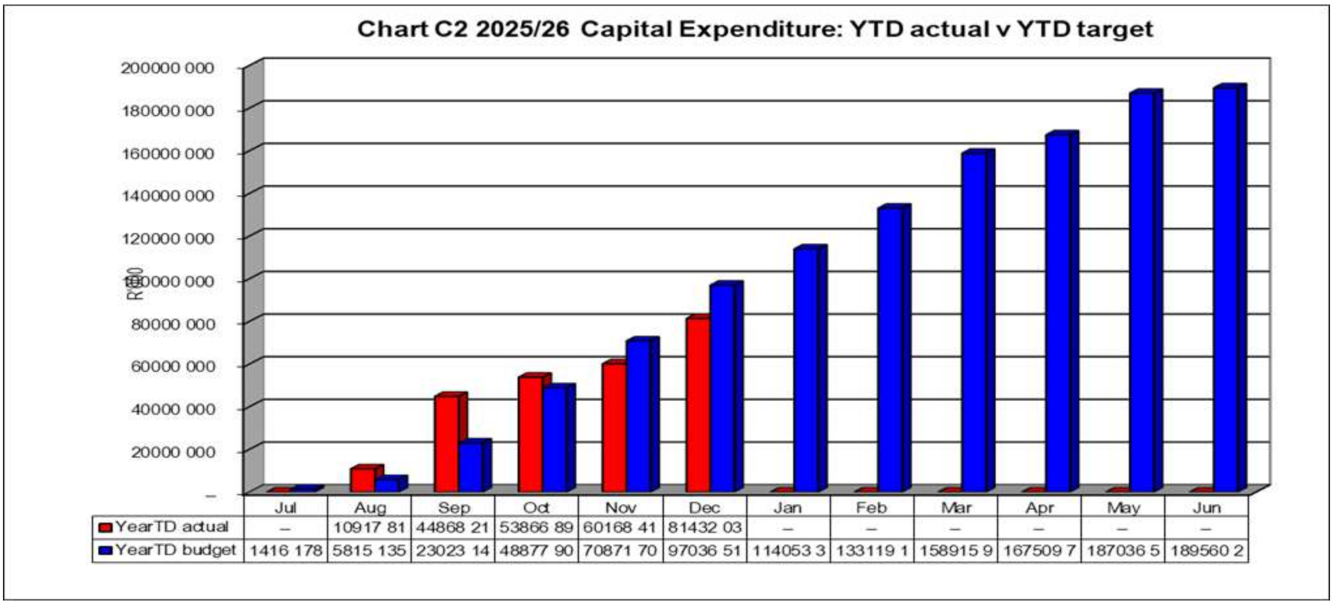
The total financing for the year-to-date is R23,909 million, in comparison with the budgeted SDBIP projection of R52,005 million. The deviation can be attributed to several projects that are behind schedule. Projects are expected to be sped up during the third quarter and funds will be reprioritized where necessary. Capital projects are financed as expenditure is incurred.

Grants and Subsidies:

The total year to date capital expenditure, financed from grants, is R42,116 million in comparison with the budgeted SDBIP projection of R16,681 million. Expenditure on the Solar project is currently more than the SDBIP projections. Funds are accounted for when received. Funds are transferred from the grant receipts once expenditure is incurred.

Capital Commitments on 31 December 2025 were R8,432 million.

The graph below shows the YTD actual v YTD target for Capital Expenditure



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
YearTD actual	–	10917 81	44868 21	53866 89	60168 41	81432 03	–	–	–	–	–	–
YearTD budget	1416 178	5815 135	23023 14	48877 90	70871 70	97036 51	114053 3	133119 1	158915 9	167509 7	187036 5	189560 2

2.4. CASH FLOW

WC042 Hessequa - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		135 755	145 346	145 346	12 316	93 391	72 310	21 081	29%	145 346
Service charges		426 383	407 609	407 609	31 214	190 459	204 820	(14 361)	-7%	407 609
Other revenue		2 630 179	98 679	98 799	19 282	139 485	136 274	3 211	2%	98 799
Transfers and Subsidies - Operational		85 872	107 341	107 341	–	7 353	72 858	(65 505)	-90%	107 341
Transfers and Subsidies - Capital		110 675	61 792	61 792	–	46 638	27 312	19 326	71%	61 792
Interest		4 022	41 836	41 836	19 829	5 776	17 432	(11 655)	-67%	41 836
Dividends			–	–	–	–	–	–		–
Payments										
Suppliers and employees		(2 079 926)	(729 494)	(731 426)	(69 155)	(377 559)	(446 425)	(68 866)	15%	(731 426)
Interest		(13 604)	(11 309)	(11 309)	(5 993)	(5 993)	(4 712)	1 281	-27%	(11 309)
Transfers and Subsidies		–	(2 502)	(2 502)	(80)	(1 172)	(1 043)	129	-12%	(2 502)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**1 299 356**	**119 297**	**117 485**	**7 413**	**98 379**	**78 825**	**(19 553)**	**-25%**	**117 485**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1 258	10 000	10 000	(870)	5 190	4 172	1 018	24%	10 000
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments			–	–	–	–	–	–		
Payments										
Capital assets		(237 139)	(187 628)	(189 560)	(21 264)	(81 432)	(90 710)	(9 278)	10%	(189 560)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(235 881)**	**(177 628)**	**(179 560)**	**(22 134)**	**(76 242)**	**(86 539)**	**(10 297)**	**12%**	**(179 560)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans			–	–	–	–	–	–		
Borrowing long term/refinancing		–	50 000	50 000	–	–	20 833	(20 833)	-100%	50 000
Increase (decrease) in consumer deposits		945	1 594	1 594	100	598	1 623	(1 024)	-63%	1 594
Payments										
Repayment of borrowing		–	(24 251)	(24 251)	(11 762)	(11 762)	(10 105)	1 657	-16%	(24 251)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**945**	**27 343**	**27 343**	**(11 661)**	**(11 163)**	**12 352**	**23 515**	**190%**	**27 343**
NET INCREASE/ (DECREASE) IN CASH HELD		**1 064 420**	**(30 988)**	**(34 732)**	**(26 382)**	**10 973**	**4 639**			**(34 732)**
Cash/cash equivalents at beginning:		487 521	392 575	392 575	711 891	438 957	392 575			392 575
Cash/cash equivalents at month/year end:		1 551 941	361 587	357 843	685 509	449 930	397 214			357 843

Cash Flow (Table C7)

3.1) Operating Activities:

The year-to-date cash from operating activities amounts to R98,379 million in comparison to the budgeted SDBIP projection of R78,825 million. This translates to a surplus of ± R19,553 million on the budgeted projection. The deviation is largely resultant of misalignment between the budgeted projections and actual receipts and payments to date. The deviation is expected to decrease as the year progresses. No material deviation is expected at this stage.

3.2) Capital & Investments

The year-to-date cash from capital and investment activities amounts to (R76,242) million in comparison to the budgeted SDBIP projection of (R86,539) million. The deviation represents the actuals for Proceeds of Disposal of PPE and the spending on capital programs not being in line with projections for the year-to-date. No material deviations are expected at this stage.

3.3) Cash Flow from Financing Activities

The year-to-date cash from financing activities amounts to (R11,163) million, in comparison with the budgeted SDBIP projection of R12,353 million. The deviation is attributed to the budgeted SDBIP projections not considering the bi- annual payments of borrowings or the expected date when the new loan will be taken up. The projections will be adjusted during the main adjustments budget. No material deviations are expected at year-end at this stage.

2.5 INVESTMENT PORTFOLIO AND FINANCIAL POSITION

TABLES SC5: INVESTMENT PORTFOLIO

WC042 Hessequa - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate [3]	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Municipality														
FNB MONEY MARKET 62299016686	Call	1	Call		Call	0.000%			2016/06/30	51 770	739	(40 000)	–	**12 509**
NEDBANK	697	11 Months	Fixed Deposits		Fixed Deposits	9.000%			2025/07/14	–				–
NEDBANK	698	11+ Months	Fixed Deposits		Fixed Deposits	9.017%			2025/08/05	–				–
ABSA	699	11 Months	Fixed Deposits		Fixed Deposits	8.950%			2025/07/30	–				–
ABSA	700	11+ Months	Fixed Deposits		Fixed Deposits	8.950%			2025/08/15	–				–
STANDARD BANK	701	1 Month	Fixed Deposits		Fixed Deposits	8.900%			2024/09/30	–				–
NEDBANK	702	11 Months	Fixed Deposits		Fixed Deposits	8.820%			2025/08/18	–				–
NEDBANK	703	11+ Months	Fixed Deposits		Fixed Deposits	8.820%			2025/09/05	–				–
NEDBANK	704	11+ Months	Fixed Deposits		Fixed Deposits	8.774%			2025/09/15	–				–
STANDARD BANK	705	2 Months	Fixed Deposits		Fixed Deposits	8.750%			2024/12/02	–				–
STANDARD BANK	706	11+ Months	Fixed Deposits		Fixed Deposits	8.775%			2025/09/25	–				–
STANDARD BANK	707	11+ Months	Fixed Deposits		Fixed Deposits	8.850%			2025/10/02	0				**0**
STANDARD BANK	708	11 Months	Fixed Deposits		Fixed Deposits	8.825%			2025/10/17	(0)				**(0)**
STANDARD BANK	709	11 Months	Fixed Deposits		Fixed Deposits	8.750%			2025/10/21	0				**0**
STANDARD BANK	710	11+ Months	Fixed Deposits		Fixed Deposits	8.800%			2025/11/14	(0)				**(0)**
STANDARD BANK	711	3 Months	Fixed Deposits		Fixed Deposits	8.550%			2025/03/04	–				–
ABSA	712	11 Months	Fixed Deposits		Fixed Deposits	8.650%			2025/11/24	–				–
STANDARD BANK	713	11+ Months	Fixed Deposits		Fixed Deposits	8.700%			2025/12/19	20 000	1 721	(21 721)		**0**
ABSA	714	10 Months	Fixed Deposits		Fixed Deposits	8.690%			2025/11/13	–				–
ABSA	715	11 Months	Fixed Deposits		Fixed Deposits	8.740%			2025/12/12	10 000	797	(10 797)		**0**
ABSA	716	10 Months	Fixed Deposits		Fixed Deposits	8.660%			2025/11/21	–				–
STANDARD BANK	717	11 Months	Fixed Deposits		Fixed Deposits	8.725%			2025/12/22	10 000	798	(10 798)		**0**
STANDARD BANK	718	±10 Months	Fixed Deposits		Fixed Deposits	8.600%			2025/12/22	5 000	353	(5 353)		**(0)**
STANDARD BANK	719	11 Months	Fixed Deposits		Fixed Deposits	8.675%			2026/01/26	10 000				**10 000**
STANDARD BANK	720	11 Months	Fixed Deposits		Fixed Deposits	8.675%			2026/01/28	10 000				**10 000**
ABSA	721	10 Months	Fixed Deposits		Fixed Deposits	8.510%			2026/01/12	5 000				**5 000**
STANDARD BANK	722	1 Month	Fixed Deposits		Fixed Deposits	8.300%			2025/04/11	–				–
STANDARD BANK	723	10 Months	Fixed Deposits		Fixed Deposits	8.525%			2026/01/14	5 000				**5 000**
STANDARD BANK	724	11 Months	Fixed Deposits		Fixed Deposits	8.625%			2026/02/13	10 000				**10 000**
ABSA	725	10 Months	Fixed Deposits		Fixed Deposits	8.390%			2026/02/10	15 000				**15 000**
STANDARD BANK	726	11 Months	Fixed Deposits		Fixed Deposits	8.450%			2026/03/10	15 000				**15 000**
STANDARD BANK	727	1 Month	Fixed Deposits		Fixed Deposits	8.225%			2025/05/15	–				–
STANDARD BANK	728	10 Months	Fixed Deposits		Fixed Deposits	8.400%			2026/02/13	5 000				**5 000**
ABSA	729	10 Months	Fixed Deposits		Fixed Deposits	8.150%			2026/03/09	10 000				**10 000**
ABSA	730	11 Months	Fixed Deposits		Fixed Deposits	8.160%			2026/04/09	15 000				**15 000**
ABSA	731	12 Days	Fixed Deposits		Fixed Deposits	8.050%			2025/05/28	0				**0**
ABSA	732	10 Months	Fixed Deposits		Fixed Deposits	8.180%			2026/03/30	5 000				**5 000**
ABSA	733	11 Months	Fixed Deposits		Fixed Deposits	8.250%			2026/04/30	10 000				**10 000**
ABSA	734	9+ Months	Fixed Deposits		Fixed Deposits	8.070%			2026/04/24	5 000				**5 000**
STANDARD BANK	735	11 Months	Fixed Deposits		Fixed Deposits	8.150%			2026/05/29	15 000				**15 000**
STANDARD BANK	736	11+ Months	Fixed Deposits		Fixed Deposits	8.188%			2026/06/24	15 000				**15 000**
ABSA	737	10 Months	Fixed Deposits		Fixed Deposits	8.050%			2026/05/07	15 000				**15 000**
ABSA	738	11 Months	Fixed Deposits		Fixed Deposits	8.090%			2026/06/08	15 000				**15 000**
ABSA	739	11 Months	Fixed Deposits		Fixed Deposits	8.120%			2026/06/18	10 000				**10 000**
ABSA	740	10+ Months	Fixed Deposits		Fixed Deposits	8.020%			2026/06/25	10 000				**10 000**
ABSA	741	11+ Months	Fixed Deposits		Fixed Deposits	8.050%			2026/07/25	10 000				**10 000**
ABSA	742	11 Months	Fixed Deposits		Fixed Deposits	7.900%			2026/07/07	15 000				**15 000**
ABSA	743	11 Months	Fixed Deposits		Fixed Deposits	7.850%			2026/07/15	10 000				**10 000**
ABSA	744	11+ Months	Fixed Deposits		Fixed Deposits	7.870%			2026/08/14	20 000				**20 000**
NEDBANK	745	11 Months	Fixed Deposits		Fixed Deposits	7.724%			2026/07/22	10 000				**10 000**
NEDBANK	746	10 Months	Fixed Deposits		Fixed Deposits	7.640%			2026/08/21	10 000				**10 000**
NEDBANK	747	11 Months	Fixed Deposits		Fixed Deposits	7.690%			2026/09/22	10 000				**10 000**
NEDBANK	748	11+ Months	Fixed Deposits		Fixed Deposits	7.750%			2026/10/16	20 000				**20 000**
NEDBANK	749	10 Months	Fixed Deposits		Fixed Deposits	7.584%			2026/09/21	20 000				**20 000**
NEDBANK	750	11 Months	Fixed Deposits		Fixed Deposits	7.634%			2026/10/21	20 000				**20 000**
ABSA	751	11 Months	Fixed Deposits		Fixed Deposits	7.680%			2026/10/27	10 000				**10 000**
ABSA	752	11+ Months	Fixed Deposits		Fixed Deposits	7.690%			2026/11/27	20 000				**20 000**
ABSA	753	11+ Months	Fixed Deposits		Fixed Deposits	7.720%			2026/12/04	–			20 000	**20 000**
NEDBANK	754	11 Months	Fixed Deposits		Fixed Deposits	7.590%			2026/11/10	–			20 000	**20 000**
Municipality sub-total										**471 770**	**4 409**	**(88 670)**	**40 000**	**427 509**
Entities														
Entities sub-total										–	–	–	–	–
TOTAL INVESTMENTS AND INTEREST	2									**471 770**	**4 409**	**(88 670)**	**40 000**	**427 509**

HESSEQUA MUNISIPALITEIT

KORTTERMYN BELEGGINGS **2025/12/30**

Verw. No	Bankinstelling	Koers/Termyn	Verval Datum	Belê 2024/25	Belê 2024/25	Verwysing	Rente 2024/25	Rente 2025/26	Rente 2024/25 voorsien	Onttrekking 2025/26	Verwys No	Onttrekking 2024/25	Balans 31/12/2025
	SALDO 1/07/2024												
697	NEDBANK	11 MNDE @ 9.000%	14 JUL 2025	20 000 000		Tjek 90069738-41 - 2024/08/14	1 583 013.70	64 109.59	1 583 013.70	20 000 000	Kw 792707-08- 15/07/2025	-21 647 123.29	0.00
698	NEDBANK	11+ MNDE @ 9.017%	05 AUG 2025	10 000 000		Tjek 90069742-43 - 2024/08/14	793 001.92	86 464.38	793 001.92	10 000 000	Kw 794654-55- 22/08/2025	-10 879 466.30	0.00
699	ABSA	11 MNDE @ 8.950%	30 JUL 2025	10 000 000		Tjek 90070027-28 - 2024/08/30	747 876.71	71 109.59	747 876.71	10 000 000		-10 818 986.30	0.00
700	ABSA	11+ MNDE @ 8.950%	15 AUG 2025	10 000 000		Tjek 90070029-30 - 2024/08/30	747 876.71	110 342.47	747 876.71	10 000 000	Kw 794652-53- 22/08/2025	-10 858 219.18	0.00
702	NEDBANK	11 MNDE @ 8.820%	18 AUG 2025	10 000 000		Tjek 90070281-82 - 2024/09/17	693 517.81	115 989.04	693 517.81	10 000 000	Kw 794657-58- 22/08/2025	-10 809 506.85	0.00
703	NEDBANK	11+ MNDE @ 8.820	05 SEPT 2025	10 000 000		Tjek 90070283-84 - 2024/09/17	693 517.81	159 484.93	693 517.81	10 000 000	Kw 795981-82- 11/09/2025	-10 853 002.74	0.00
704	NEDBANK	11+ MNDE @ 8.774%	15 SEP 2025	10 000 000		Tjek 90070455-56 - 2024/09/30	658 650.96	182 691.51	658 650.96	10 000 000	Kw 796146-47- 16/09/2025	-10 841 342.47	0.00
706	STANDARD BANK	11+ MNDE @ 8.775%	25 SEP 2025	15 000 000		Tjek 90070471-73 - 2024/09-30	988 089.04	310 130.14	988 089.04	15 000 000	Kw 796668-69- 30/09/2025	-16 298 219.18	0.00
707	STANDARD BANK	11+ MNDE @ 8.850%	02 OCT 2025	10 000 000		Tjek 90070678-79 - 2024/10/11	637 684.93	225 493.15	637 684.93	10 000 000	Kw 797196-97- 03/10/2025	-10 863 178.08	0.00
708	STANDARD BANK	11 MNDE @ 8.825%	17 OCT 2025	20 000 000		Tjek 90071410-13 - 2024/11/18	1 088 013.70	522 246.57	1 088 013.70	20 000 000	Kw 797923-24- 21/10/2025	-21 610 260.27	0.00
709	STANDARD BANK	11 MNDE @ 8.750%	21 OCT 2025	20 000 000		Tjek 90071515-18 - 2024/11/21	1 064 383.56	536 986.30	1 064 383.56	20 000 000	Kw - 22/10/2025	-21 601 369.86	0.00
710	STANDARD BANK	11+ MNDE @ 8.800%	14 NOV 2025	15 000 000		Tjek 90071519-21 - 2024/11/21	0.00	0.00	802 849.32	15 000 000	Kw 799518-19- 19/11/2025	-15 000 000.00	0.00
712	ABSA	11 MNDE @ 8.650%	14 NOV 2025	20 000 000		Tjek 90072070-73 - 2024/12/23	0.00	0.00	900 547.94	20 000 000	Kw 799922-23- 28/11/2025	-20 000 000.00	0.00
713	STANDARD BANK	11+ MNDE @ 8.700%	19 DEC 2025	20 000 000		Tjek 90072074-77 - 2024/12/23	0.00	0.00	905 753.42	20 000 000		-21 720 931.51	-1 720 931.51
714	ABSA	10 MNDE @ 8.690%	13 NOV 2025	10 000 000		Tjek 90072161-62 - 2025/01/13	0.00	0.00	402 358.90	10 000 000	Kw 799521-22- 19/11/2025	-10 000 000.00	0.00
715	ABSA	11 MNDE @ 8.740%	12 DEC 2025	10 000 000		Tjek 90072163-64 - 2025/01/13	0.00	0.00	404 673.97	10 000 000		-10 797 375.34	-797 375.34
716	ABSA	10 MNDE @ 8.660%	21 NOV 2025	5 000 000		Tjek 90072299 - 2025/01/22	0.00	0.00	189 808.21	5 000 000	Kw 799924-25- 28/11/2025	-5 000 000.00	0.00
717	STANDARD BANK	11 MNDE @ 8.725%	22 DEC 2025	10 000 000		Tjek 90072300-01 - 2025/01/22	0.00	0.00	382 465.75	10 000 000		-10 798 397.26	-798 397.26
718	STANDARD BANK	±10 MNDE @ 8.600%	22 DEC 2025	5 000 000		Tjek 90072844 - 2025/02/25	0.00	0.00	148 438.36	5 000 000		-5 353 424.66	-353 424.66
719	STANDARD BANK	11 MNDE @ 8.675%	26 JAN 2026	10 000 000		Tjek 90072845-46 - 2025/02/25			299 465.75				10 000 000.00
720	STANDARD BANK	11 MNDE @ 8.675%	28 JAN 2026	10 000 000		Tjek 90072925-26 - 2025/02/28			292 335.62				10 000 000.00
721	ABSA	10 MNDE @ 8.510%	12 JAN 2026	5 000 000		Tjek 90073072 - 2025/03/12			129 398.63				5 000 000.00
723	STANDARD BANK	10 MNDE @ 8.525%	14 JAN 2026	5 000 000		Tjek 90073169 - 2025/03/14			127 291.10				5 000 000.00
724	STANDARD BANK	11 MNDE @ 8.625%	13 FEB 2026	10 000 000		Tjek 90073170-71 - 2025/03/14			257 568.49				10 000 000.00
725	ABSA	10 MNDE @ 8.390%	10 FEB 2026	15 000 000		Tjek 90073582-84 - 2025/04/10			282 731.50				15 000 000.00
726	STANDARD BANK	11 MNDE @ 8.450%	10 MAR 2026	15 000 000		Tjek 900733585-87 - 2025/04/10			284 753.42				15 000 000.00
728	STANDARD BANK	10 MNDE @ 8.400%	13 FEB 2026	5 000 000		Tjek 90073605 - 2025/04/15			88 602.74				5 000 000.00
729	ABSA	10 MNDE @ 8.150%	09 MAR 2026	10 000 000		Tjek 90073968-69 - 2025/05/09			118 342.46				10 000 000.00
730	ABSA	11 MNDE @ 8.160%	09 APR 2026	15 000 000		Tjek 90073970-72 - 2025/05/09			177 731.50				15 000 000.00
732	ABSA	10 MNDE @ 8.180%	30 MAR 2026	5 000 000		Tjek 90074387 - 2025/05/30			35 857.53				5 000 000.00
733	ABSA	11 MNDE @ 8.250%	30 APR 2026	10 000 000		Tjek 90074388-89 - 2025/05/30			72 328.76				10 000 000.00
734	ABSA	9+ MNDE @ 8.070%	24 APR 2026	5 000 000		Tjek 90074954 - 2025/06/30			1 105.47				5 000 000.00
735	STANDARD BANK	11 MNDE @ 8.150%	29 MAY 2026	15 000 000		Tjek 90074955-57 - 2025/06/30			3 349.32				15 000 000.00
736	STANDARD BANK	11+ MNDE @ 8.188%	24 JUN 2026	15 000 000		Tjek 90074958-60 - 2025/06/30			3 364.93				15 000 000.00
737	ABSA	10 MNDE @ 8.050%	07 MAY 2026		15 000 000	Tjek 90075009-11 - 2025/07/07							15 000 000.00
738	ABSA	11 MNDE @ 8.090%	08 JUNE 2026		15 000 000	Tjek 90075012-14 - 2025/07/07							15 000 000.00
739	ABSA	11 MNDE @ 8.120%	18 JUNE 2026		10 000 000	Tjek 90075257-88 - 2025/07/18							10 000 000.00
740	ABSA	10+ MNDE @ 8.020%	25 JUNE 2026		10 000 000	Tjek 90075520-21 - 2025/07/31							10 000 000.00
741	ABSA	11+ MNDE @ 8.050%	25 JULY 2026		10 000 000	Tjek 90075522-23 - 2025/07/31							10 000 000.00
742	ABSA	11 MNDE @ 7.900%	07 JUL 2026		15 000 000	Tjek 90075593-95 - 2025/08/07							15 000 000.00
743	ABSA	11 MNDE @7.850%	15 JUL 2026		10 000 000	Tjek 90075664-65 - 2025/08/15							10 000 000.00
744	ABSA	11+ MNDE @7.870%	14 AUG 2026		20 000 000	Tjek 90075828-31 - 2025/08/22							20 000 000.00
745	NEDBANK	11 MNDE @ 7.724%	22 JUL 2026		10 000 000	Tjek 90075832-33 - 2025/08/22							10 000 000.00
746	NEDBANK	10 MNDE @7.640%	21 AUG 2026		10 000 000	Tjek 90076817-18 - 2025/10/22							10 000 000.00
747	NEDBANK	11 MNDE @7.690%	22 SEP 2026		10 000 000	Tjek 90076819-20 - 2025/10/22							10 000 000.00
748	NEDBANK	11+ MNDE @7.750%	16 OCT 2026		20 000 000	Tjek 90076821-24 - 2025/10/22							20 000 000.00
749	NEDBANK	10 MNDE @7.584%	21 SEP 2026		20 000 000	Tjek 9007411-14 - 2025/11/21							20 000 000.00
750	NEDBANK	11 MNDE @7.634%	21 OCT 2026		20 000 000	Tjek 9007415-18 - 2025/11/21							20 000 000.00
751	ABSA	11 MNDE @7.680%	27 OCT 2026		10 000 000	Tjek 90077573-74 - 2025/11/27							10 000 000.00
752	ABSA	11+ MNDE @7.690%	24 NOV 2026		20 000 000	Tjek 90077575-78 - 2025/11/27							20 000 000.00
753	ABSA	11+ MNDE @7.720%	04 DEC 2026		20 000 000	Tjek 90077789-92 - 2025/12/10							20 000 000.00
754	NEDBANK	11 MNDE @ 7.590%	10 NOV 2026		20 000 000	Tjek 90077793-96 - 2025/12/10							20 000 000.00
				390 000 000.00	**265 000 000.00**		**9 695 626.85**	**2 385 047.67**	**16 006 749.94**	**240 000 000.00**		**-255 750 803.29**	**411 329 871.23**

CALL DEPOSIT ACCOUNT **2025/2026**

Verw. No	Bankinstelling	Koers/Termyn	Verw. No.		Saldo 01/07/2025	Belê 2025/26	Bankkoste	Rente		Verw. No.	Onttrekking 2025/26	Verwys. No.	Balans 31/12/2025
1.	FNB	Wisselend	62299016686		26 571 694.06	203 891 000.00	0.00	1 046 075.42		0.00	219 000 000.00	Verskeie Drukstukke Aangeheg	12 508 769.48
					26 571 694.06	**203 891 000.00**	**0.00**	**1 046 075.42**			**219 000 000.00**		**12 508 769.48**

Development Charges

Development charges for municipal infrastructure are included in investments. Year- to- date revenue from development charges amounts to R3,755 million, compared to a budgeted SDBIP amount of R4,404 million.

Tables C6: Financial Position

WC042 Hessequa - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		438 957	361 587	359 655	449 930	359 655
Trade and other receivables from exchange transactions		46 673	39 333	39 333	40 214	39 333
Receivables from non-exchange transactions		28 565	34 634	34 634	61 996	34 634
Current portion of non-current receivables		0	–	–	0	–
Inventory		4 775	4 509	4 509	4 487	4 509
VAT		9 774	11 975	11 975	16 114	11 975
Other current assets		1 064	1 060	1 060	1 064	1 060
Total current assets		**529 808**	**453 099**	**451 167**	**573 805**	**451 167**
Non current assets						
Investments						
Investment property		123 789	105 082	105 082	123 789	105 082
Property, plant and equipment		1 328 076	1 357 779	1 359 711	1 385 446	1 359 711
Biological assets						
Living and non-living resources						
Heritage assets		8 452	8 736	8 736	8 452	8 736
Intangible assets		179	174	174	172	174
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets						
Total non current assets		**1 460 495**	**1 471 771**	**1 473 703**	**1 517 859**	**1 473 703**
TOTAL ASSETS		**1 990 303**	**1 924 870**	**1 924 870**	**2 091 664**	**1 924 870**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		24 228	24 300	24 300	24 228	24 300
Consumer deposits		15 600	12 676	12 676	26 710	12 676
Trade and other payables from exchange transactions		78 189	80 225	80 225	49 806	80 225
Trade and other payables from non-exchange transactions		3 643	–	–	17 984	–
Provision		12 177	18 787	18 787	12 177	18 787
VAT		24 464	10 417	10 417	31 463	10 417
Other current liabilities		–	–	–	–	–
Total current liabilities		**158 301**	**146 405**	**146 405**	**162 367**	**146 405**
Non current liabilities						
Financial liabilities		98 254	126 032	126 032	86 492	126 032
Provision		161 403	175 954	175 954	161 403	175 954
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		**259 658**	**301 986**	**301 986**	**247 896**	**301 986**
TOTAL LIABILITIES		**417 958**	**448 391**	**448 391**	**410 263**	**448 391**
NET ASSETS	2	**1 572 345**	**1 476 479**	**1 476 479**	**1 681 401**	**1 476 479**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 508 820	1 365 841	1 365 841	1 617 876	1 365 841
Reserves and funds		63 525	110 639	110 639	63 525	110 639
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**1 572 345**	**1 476 479**	**1 476 479**	**1 681 401**	**1 476 479**

2.6 DEBTORS ANALYSIS

WC042 Hessequa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description R thousands	NT Code	Budget Year 2025/26 0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	5 811	1 394	954	809	723	723	2 289	7 369	20 072	11 913	351	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	14 606	1 683	716	490	353	369	821	2 920	21 957	4 952	31	–
Receivables from Non-exchange Transactions - Property Rates	1400	10 428	1 363	529	369	1 088	256	788	3 892	18 712	6 392	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	2 910	871	605	520	485	657	1 652	6 382	14 082	9 696	208	–
Receivables from Exchange Transactions - Waste Management	1600	3 230	915	615	534	483	497	1 733	5 070	13 078	8 317	214	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	360	335	313	281	255	252	1 313	4 621	7 729	6 721	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	
Other	1900	531	260	186	68	45	124	206	2 418	3 838	2 862	146	–
Total By Income Source	**2000**	**37 876**	**6 821**	**3 917**	**3 070**	**3 433**	**2 878**	**8 802**	**32 671**	**99 468**	**50 855**	**950**	**–**
2024/25 - totals only		43339689 1/8	3315499 1/5	2362142 1/5	2141787 7/8	4878855 3/7	1641772	7655210 1/2	28122206 7/9	93 457	**44 440**	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 377	190	122	48	178	36	27	211	2 190	500	–	–
Commercial	2300	10 868	1 350	680	465	707	335	1 077	4 701	20 184	7 284	–	–
Households	2400	25 631	5 280	3 114	2 558	2 548	2 506	7 698	27 759	77 095	43 070	950	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**37 876**	**6 821**	**3 917**	**3 070**	**3 433**	**2 878**	**8 802**	**32 671**	**99 468**	**50 855**	**950**	**–**

Debtors, 30 days older on 31 December 2025, amounts to R61,593 million, in comparison to the amount of R60,055 million for 30 November 2025. This represents an increase of R1,538 million for the month. The debtors' collection rate for December 2025 is 93,16%. Strict credit control measures are being applied.

2.7 CREDITORS ANALYSIS

WC042 Hessequa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description R thousands	NT Code	Budget Year 2025/26 0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Prior year totals for chart (same period)
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									–	
Bulk Water	0200									–	
PAYE deductions	0300									–	
VAT (output less input)	0400	31 463								31 463	
Pensions / Retirement deductions	0500									–	
Loan repayments	0600									–	
Trade Creditors	0700	4 977								4 977	
Auditor General	0800									–	
Other	0900	31 430								31 430	
Medical Aid deductions	0950									–	
Total By Customer Type	**1000**	**67 870**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**67 870**	**–**

Normally the amount for creditors 30 days and older represent some cases where accounts are disputed and are investigated by the Creditors department. Trade and other payables consist of the following: unspent grants (R17,984) million, payments received in advance (R9,147) million, retentions (R15,934) million, and other creditors (R37,812) million. Trade creditors amount to (R4,977) million.

2.8 TRANSFERS AND GRANT RECEIPTS

WC042 Hessequa - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		66 856	71 320	71 320	22 750	51 806	50 886	921	1.8%	71 320
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		63 158	67 378	67 378	22 459	50 533	49 274	1 259	2.6%	67 378
Expanded Public Works Programme Integrated Grant		1 236	1 351	1 351	127	354	624	(270)	-43.3%	1 351
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–		–
Local Government Financial Management Grant		1 700	1 800	1 800	71	573	641	(68)	-10.6%	1 800
Municipal Disaster Relief Grant	3	–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		762	791	791	93	346	347	(0)	-0.1%	791
Municipal Systems Improvement Grant		–	–	–	–	–	–	–		–
Other transfers and grants [insert description]								–		
Provincial Government:		817	3 835	3 835	41	292	1 869	(1 576)	-84.4%	3 835
Capacity Building and Other Grants		479	1 256	1 256	20	271	553	(282)	-50.9%	1 256
Infrastructure Grant		337	2 579	2 579	21	21	1 315	(1 295)	-98.4%	2 579
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
Capacity Building and Other Grants		–	–	–	–	–	–	–		–
Specify (Add grant description)		–	–	–	–	–	–	–		–
Other grant providers:		380	600	600	–	–	229	(229)	-100.0%	600
Buildings and Construction		–	–	–	–	–	–	–		–
Disaster Management Fund		–	–	–	–	–	–	–		–
Education Training and Development Practices SETA		78	600	600	–	–	229	(229)	-100.0%	600
Grant In Aid		–	–	–	–	–	–	–		–
Mining Companies		–	–	–	–	–	–	–		–
National Lotteries Board		–	–	–	–	–	–	–		–
Product		–	–	–	–	–	–	–		–
Unspecified		301	–	–	–	–	–	–		–
Total Operating Transfers and Grants	5	68 053	75 755	75 755	22 791	52 098	52 983	(885)	-1.7%	75 755
Capital Transfers and Grants										
National Government:		–	–	–	–	–	–	–		–
								–		
Provincial Government:		480	469	469	–	–	234	(234)	-100.0%	469
Capacity Building and Other Grants		480	469	469	–	–	234	(234)	-100.0%	469
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
Other grant providers:		1 500	–	–	–	–	–	–		–
[insert description]								–		
Developers Contribution		1 500	–	–	–	–	–	–		–
Total Capital Transfers and Grants	5	1 980	469	469	–	–	234	(234)	-100.0%	469
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	70 033	76 224	76 224	22 791	52 098	53 218	(1 119)	-2.1%	76 224

Operating:

The year-to-date receipts are R52,098 million against the budgeted SDBIP projection of R52,983 million. Revenue is recognized after the conditions of a grant are met. No material deviation is expected at this stage.

Capital:

The year-to-date receipts amount to R0,0 million in comparison with the budgeted SDBIP projection of R0,234 million. Revenue is recognized after the conditions of a grant are met. No material deviation is expected at this stage.

2.9 COUNCILLOR AND BOARD MEMBERS ALLOWANCES AND EMPLOYEE BENEFITS

Table SC8 Councillor and Staff Benefits

WC042 Hessequa - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration R thousands	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages								–		
Pension and UIF Contributions		491	440	440	41	244	220	24	11%	440
Medical Aid Contributions		147	168	168	13	78	84	(6)	-7%	168
Motor Vehicle Allowance								–		
Cellphone Allowance		799	860	860	67	400	430	(30)	-7%	860
Housing Allowances								–		
Other benefits and allowances		7 691	8 222	8 222	651	3 841	4 111	(270)	-7%	8 222
Sub Total - Councillors		**9 128**	**9 690**	**9 690**	**771**	**4 563**	**4 845**	**(282)**	**-6%**	**9 690**
% increase	4		**6.2%**	**6.2%**						**6.2%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5 770	7 617	7 617	601	3 185	3 937	(752)	-19%	7 617
Pension and UIF Contributions		1 060	1 488	1 488	95	572	769	(197)	-26%	1 488
Medical Aid Contributions		164	210	210	15	89	114	(25)	-22%	210
Overtime								–		
Performance Bonus		1 045	1 511	1 511	–	–	778	(778)	-100%	1 511
Motor Vehicle Allowance		798	833	833	73	439	454	(15)	-3%	833
Cellphone Allowance		47	141	141	15	58	71	(14)	-19%	141
Housing Allowances		13	14	14	1	7	8	(1)	-11%	14
Other benefits and allowances		201	116	116	25	148	63	85	134%	116
Payments in lieu of leave		26	–	–	–	–	–	–		–
Long service awards		–	106	106	–	–	58	(58)	-100%	106
Post-retirement benefit obligations	2							–		
Entertainment								–		
Scarcity								–		
Acting and post related allowance								–		
In kind benefits								–		
Sub Total - Senior Managers of Municipality		**9 125**	**12 037**	**12 037**	**825**	**4 498**	**6 253**	**(1 755)**	**-28%**	**12 037**
% increase	4		**31.9%**	**31.9%**						**31.9%**
Other Municipal Staff										
Basic Salaries and Wages		144 409	170 552	170 516	13 484	78 384	92 923	(14 539)	-16%	170 516
Pension and UIF Contributions		26 468	30 743	30 743	2 383	14 280	16 769	(2 488)	-15%	30 743
Medical Aid Contributions		7 476	9 606	9 606	662	4 049	5 239	(1 190)	-23%	9 606
Overtime		8 374	7 884	7 920	693	2 982	4 314	(1 332)	-31%	7 920
Performance Bonus		11 421	15 812	15 812	3 588	12 111	8 625	3 486	40%	15 812
Motor Vehicle Allowance								–		
Cellphone Allowance		870	943	943	112	581	515	66	13%	943
Housing Allowances		1 367	905	905	71	417	494	(77)	-16%	905
Other benefits and allowances		9 364	9 287	9 287	871	4 757	5 065	(308)	-6%	9 287
Payments in lieu of leave		1 371	–	–	–	109	–	109	#DIV/0!	–
Long service awards		2 208	1 754	1 754	116	561	957	(395)	-41%	1 754
Post-retirement benefit obligations	2	8 208	10 605	10 605	310	1 769	5 784	(4 015)	-69%	10 605
Entertainment								–		
Scarcity								–		
Acting and post related allowance								–		
In kind benefits		0	1	1	–	–	0	(0)	-100%	1
Sub Total - Other Municipal Staff		**221 537**	**258 092**	**258 092**	**22 291**	**120 001**	**140 684**	**(20 683)**	**-15%**	**258 092**
% increase	4		**16.5%**	**16.5%**						**16.5%**
Total Parent Municipality		**239 790**	**279 818**	**279 818**	**23 887**	**129 062**	**151 782**	**(22 720)**	**-15%**	**279 818**
			16.7%	**16.7%**						**16.7%**
Unpaid salary, allowances & benefits in arrears:										
% increase	4		**16.7%**	**16.7%**						**16.7%**
TOTAL MANAGERS AND STAFF		**230 661**	**270 128**	**270 128**	**23 116**	**124 499**	**146 937**	**(22 438)**	**-15%**	**270 128**

Cash flow

WC042 Hessequa - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M06 December

Description	Ref	Budget Year 2025/26												2025/26 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source																
Property rates		14 996	18 410	16 640	17 934	13 095	12 316	12 112	12 112	12 112	12 112	12 112	(8 606)	145 346	155 520	166 406
Service charges - Electricity revenue		20 413	20 156	24 368	24 498	21 532	21 312	20 314	20 314	20 314	20 314	20 314	9 922	243 771	258 174	275 245
Service charges - Water revenue		3 891	3 871	4 610	4 708	4 332	4 833	5 924	5 924	5 924	5 924	5 924	15 227	71 092	76 176	80 782
Service charges - Waste Water Management		2 380	2 543	2 701	2 717	2 417	2 433	4 212	4 212	4 212	4 212	4 212	14 295	50 546	54 221	57 393
Service charges - Waste Mangement		2 702	2 845	3 017	2 919	2 627	2 637	3 517	3 517	3 517	3 517	3 517	7 870	42 200	45 364	47 999
Rental of facilities and equipment		984	322	326	579	378	319	401	401	401	401	401	(99)	4 814	5 104	5 435
Interest earned - external investments		819	101	408	(15 948)	92	19 741	3 305	3 305	3 305	3 305	3 305	17 920	39 655	30 338	30 567
Interest earned - outstanding debtors		95	83	107	91	100	88	182	182	182	182	182	708	2 181	4 447	2 574
Dividends received		–	–	–	–	–	–						–			
Fines, penalties and forfeits		4 436	2 707	2 236	2 213	1 862	2 668	856	856	856	856	856	(10 129)	10 275	10 891	11 545
Licences and permits		165	177	190	204	184	238	213	213	213	213	213	330	2 552	2 700	2 862
Agency services		186	304	336	324	308	252	310	310	310	310	310	458	3 716	3 932	4 168
Transfers and Subsidies - Operational		58	–	1 050	–	6 245	–	8 945	8 945	8 945	8 945	8 945	55 262	107 341	88 718	104 088
Other revenue		37 309	18 339	13 650	19 956	12 529	15 805	6 453	6 453	6 453	6 453	6 453	(72 413)	77 441	58 728	69 282
Cash Receipts by Source		**88 435**	**69 855**	**69 639**	**60 194**	**65 700**	**82 641**	**66 744**	**66 744**	**66 744**	**66 744**	**66 744**	**30 745**	**800 930**	**794 314**	**858 346**
Other Cash Flows by Source													–			
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		1 565	–	7 019	810	37 244	–	5 149	5 149	5 149	5 149	5 149	(10 593)	61 792	41 896	31 440
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets		5	5 405	310	340	(0)	(870)	833	833	833	833	833	643	10 000	8 000	8 500
Short term loans		–	–	–	–	–	–						–		–	–
Borrowing long term/refinancing		–	–	–	–	–	–	4 167	4 167	4 167	4 167	4 167	29 167	50 000	20 000	70 000
Increase (decrease) in consumer deposits		112	86	127	96	78	100	133	133	133	133	133	332	1 594	1 690	1 792
VAT Control (receipts)		–	–	–	–	–	–	(82)	(82)	(82)	(82)	(82)	(572)	(980)		
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments													–			
Total Cash Receipts by Source		**90 117**	**75 346**	**77 095**	**61 440**	**103 022**	**81 871**	**76 945**	**76 945**	**76 945**	**76 945**	**76 945**	**49 722**	**923 336**	**865 900**	**970 078**
Cash Payments by Type													–			
Employee related costs		18 649	18 592	18 866	17 788	27 488	23 116	25 199	25 199	25 199	25 199	25 199	51 895	302 389	282 696	329 679
Remuneration of councillors		741	(14)	1 512	781	771	771	807	807	807	807	807	1 089	9 690	10 174	10 683
Interest		–	–	–	–	–	5 993	942	942	942	942	942	604	11 309	14 038	14 257
Bulk purchases - Electricity		21 601	18 111	11 249	15 288	11 589	18 464	17 683	17 683	17 683	17 683	17 683	27 477	212 192	223 566	237 405
Acquisitions - water & other inventory		1 068	4 208	3 373	4 801	4 984	3 863	5 010	5 010	5 010	5 010	5 010	349	47 696	64 268	67 993
Contracted services		1 130	3 549	5 267	3 541	6 083	4 815	6 811	6 811	6 811	6 811	6 811	23 293	81 733	56 030	71 269
Transfers and subsidies - other municipalities													–		–	–
Transfers and subsidies - other		183	8	60	568	273	80	209	209	209	209	209	288	2 502	2 757	2 750
Other expenditure		3 106	1 943	2 056	8 656	4 685	5 318	5 045	5 045	5 045	5 045	5 045	9 554	60 546	59 134	61 366
Cash Payments by Type		**46 478**	**46 397**	**42 383**	**51 423**	**55 873**	**62 420**	**61 707**	**61 707**	**61 707**	**61 707**	**61 707**	**114 549**	**728 058**	**712 663**	**795 401**
Other Cash Flows/Payments by Type																
Capital assets		–	10 918	33 950	8 999	6 302	21 264	18 142	18 142	18 142	18 142	18 142	17 418	189 560	153 499	145 712
Repayment of borrowing		–	–	–	–	–	11 762	2 021	2 021	2 021	2 021	2 021	2 385	24 251	22 025	22 003
Other Cash Flows/Payments		24 883	6 791	15 964	11 622	7 681	12 808	407	407	407	407	407	(76 903)	4 879	5 169	5 476
Total Cash Payments by Type		**71 362**	**64 106**	**92 297**	**72 043**	**69 856**	**108 253**	**82 276**	**82 276**	**82 276**	**82 276**	**82 276**	**57 449**	**946 748**	**893 356**	**968 592**
NET INCREASE/(DECREASE) IN CASH HELD		**18 755**	**11 240**	**(15 203)**	**(10 604)**	**33 167**	**(26 382)**	**(5 332)**	**(5 332)**	**(5 332)**	**(5 332)**	**(5 332)**	**(7 727)**	**(23 412)**	**(27 456)**	**1 486**
Cash/cash equivalents at the month/year beginning:		438 957	457 712	468 952	453 749	443 146	476 312	449 930	444 598	439 267	433 935	428 603	423 272	438 957	415 545	388 089
Cash/cash equivalents at the month/year end:		457 712	468 952	453 749	443 146	476 312	449 930	444 598	439 267	433 935	428 603	423 272	415 545	415 545	388 089	389 575

Capital Expenditure

WC042 Hessequa - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December

Month	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend									
July	–	1 416	1 416	–	–	1 416	1 416	100.0%	0%
August	725	4 399	4 399	10 918	10 918	5 815	(5 103)	-87.7%	6%
September	6 598	17 208	17 208	33 950	44 868	23 023	(21 845)	-94.9%	24%
October	2 025	25 855	25 855	8 999	53 867	48 878	(4 989)	-10.2%	28%
November	24 544	21 994	21 994	6 302	60 168	70 872	10 703	15.1%	32%
December	49 712	26 165	26 165	21 264	81 432	97 037	15 604	16.1%	43%
January	22 073	17 017	17 017	–	81 432	114 053	32 621	28.6%	43%
February	2 827	19 066	19 066	–	81 432	133 119	51 687	38.8%	43%
March	17 079	25 797	25 797	–	81 432	158 916	77 484	48.8%	43%
April	31 448	8 594	8 594	–	81 432	167 510	86 078	51.4%	0
May	65 046	19 527	19 527	–	81 432	187 037	105 605	56.5%	0
June	15 062	2 524	2 524	–	81 432	189 560	108 128	57.0%	0
Total Capital expenditure	**237 139**	**189 560**	**189 560**	**81 432**					

MID –YEAR BUDGET AND PERFORMANCE REPORT FOR 2025/26

WC042 Hessequa - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M06 December

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		**155 377**	**97 259**	**97 104**	**8 264**	**52 132**	**35 571**	(16 561)	**-46.6%**	**97 104**
Roads Infrastructure		814	3 614	3 614	3 000	3 083	307	(2 776)	**-904.8%**	3 614
Roads		684	3 414	3 414	3 000	3 000	207	(2 793)	**-1350.4%**	3 414
Road Furniture		130	200	200	–	83	100	17	**16.8%**	200
Storm water Infrastructure		–	2 000	2 000	–	–	1 300	1 300	**100.0%**	2 000
Drainage Collection		–	2 000	2 000	–	–	1 300	1 300	**100.0%**	2 000
Electrical Infrastructure		143 515	61 408	61 408	1 714	45 415	20 300	(25 115)	**-123.7%**	61 408
Power Plants		143 185	59 500	59 500	1 429	45 032	20 200	(24 832)	**-122.9%**	59 500
HV Substations		–	620	620	261	261	–	(261)	**#DIV/0!**	620
HV Transmission Conductors		–	488	488	24	122	100	(22)	**-21.6%**	488
MV Substations		–	800	800	–	–	–	–		800
LV Networks		330	–	–	–	–	–	–		–
Water Supply Infrastructure		4 913	14 914	14 889	891	975	5 301	4 326	**81.6%**	14 889
Boreholes		2 547	1 500	1 475	891	975	994	19	**1.9%**	1 475
Reservoirs		–	5 000	5 000	–	–	–	–		5 000
Water Treatment Works		–	7 800	7 800	–	–	3 900	3 900	**100.0%**	7 800
Distribution		2 366	614	614	–	–	407	407	**100.0%**	614
Sanitation Infrastructure		5 865	11 914	11 914	921	921	5 207	4 286	**82.3%**	11 914
Pump Station		–	7 000	7 000	–	–	1 250	1 250	**100.0%**	7 000
Reticulation		5 865	4 914	4 914	921	921	3 957	3 036	**76.7%**	4 914
Solid Waste Infrastructure		129	280	280	61	61	280	219	**78.3%**	280
Waste Drop-off Points		129	280	280	61	61	280	219	**78.3%**	280
Information and Communication Infrastructure		142	3 130	3 000	1 678	1 678	2 877	1 199	**41.7%**	3 000
Data Centres								–		
Core Layers		142	2 930	2 800	1 678	1 678	2 877	1 199	**41.7%**	2 800
Distribution Layers		–	200	200	–	–	–	–		200
Community Assets		**1 241**	**4 152**	**4 152**	**125**	**247**	**3 581**	**3 334**	**93.1%**	**4 152**
Community Facilities		1 181	2 502	2 062	125	247	1 821	1 574	**86.5%**	2 062
Centres		8	–	–	–	–	–	–		–
Cemeteries/Crematoria		–	60	60	52	52	60	8	13.1%	60
Purls		30	–	–	–	–	–	–		–
Public Open Space		847	1 452	1 452	73	110	1 326	1 216	91.7%	1 452
Nature Reserves		296	80	80	–	43	40	(3)	-8.8%	80
Public Ablution Facilities		–	100	100	–	41	100	59	59.1%	100
Taxi Ranks/Bus Terminals		–	810	370	–	–	295	295	100.0%	370
Sport and Recreation Facilities		60	1 650	2 090	–	–	1 760	1 760	**100.0%**	2 090
Outdoor Facilities		60	1 650	2 090	–	–	1 760	1 760	100.0%	2 090
Other assets		**4**	**8 000**	**8 000**	**–**	**–**	**8 000**	**8 000**	**100.0%**	**8 000**
Operational Buildings		4	8 000	8 000	–	–	8 000	8 000	**100.0%**	8 000
Municipal Offices		4	8 000	8 000	–	–	8 000	8 000	100.0%	8 000
Computer Equipment		**694**	**1 605**	**1 630**	**260**	**1 472**	**1 056**	**(416)**	-39.4%	**1 630**
Computer Equipment		694	1 605	1 630	260	1 472	1 056	(416)	-39.4%	1 630
Furniture and Office Equipment		**638**	**891**	**902**	**346**	**501**	**520**	**19**	3.7%	**902**
Furniture and Office Equipment		638	891	902	346	501	520	19	3.7%	902
Machinery and Equipment		**5 271**	**6 943**	**7 118**	**225**	**2 358**	**4 041**	**1 682**	41.6%	**7 118**
Machinery and Equipment		5 271	6 943	7 118	225	2 358	4 041	1 682	41.6%	7 118
Transport Assets		**8 958**	**12 600**	**12 920**	**1 837**	**7 780**	**6 295**	**(1 484)**	-23.6%	**12 920**
Transport Assets		8 958	12 600	12 920	1 837	7 780	6 295	(1 484)	-23.6%	12 920
Total Capital Expenditure on new assets	1	**172 185**	**131 449**	**131 826**	**11 057**	**64 491**	**59 064**	**(5 426)**	**-9.2%**	**131 826**

WC042 Hessequa - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M06

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		**5 624**	**6 130**	**7 631**	**907**	**2 869**	**2 912**	43	**1.5%**	**7 631**
Roads Infrastructure		500	–	–	–	–	–	–		–
Roads								–		
Road Structures		500	–	–	–	–	–	–		–
Electrical Infrastructure		–	3 900	3 900	468	763	–	(763)	**#DIV/0!**	3 900
MV Networks		–	3 900	3 900	468	763	–	(763)	**#DIV/0!**	3 900
Water Supply Infrastructure		4 142	500	500	56	56	500	444	**88.9%**	500
Pump Stations		638	–	–	–	–	–	–		–
Water Treatment Works		1 557	500	500	56	56	500	444	**88.9%**	500
Distribution		1 947	–	–	–	–	–	–		–
Sanitation Infrastructure		982	1 730	3 231	384	2 051	2 412	362	**15.0%**	3 231
Pump Station		414	500	500	–	–	500	500	**100.0%**	500
Waste Water Treatment Works		567	1 230	2 731	384	2 051	1 912	(138)	**-7.2%**	2 731
Community Assets		**918**	**930**	**930**	**202**	**281**	**880**	**599**	**68.1%**	**930**
Community Facilities		127	680	680	47	95	630	535	**84.9%**	680
Public Open Space		50	630	630	47	47	630	583	92.5%	630
Nature Reserves		77	50	50	–	48	–	(48)	#DIV/0!	50
Sport and Recreation Facilities		791	250	250	155	186	250	64	**25.8%**	250
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		791	250	250	155	186	250	64	25.8%	250
Furniture and Office Equipment		**–**	**88**	**90**	**–**	**29**	**80**	**51**	63.9%	**90**
Furniture and Office Equipment		–	88	90	–	29	80	51	63.9%	90
Machinery and Equipment		**125**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Machinery and Equipment		125	–	–	–	–	–	–		–
Total Capital Expenditure on renewal of existing ass	1	**6 667**	**7 148**	**8 651**	**1 110**	**3 179**	**3 872**	**693**	17.9%	**8 651**

WC042 Hessequa - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M06

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		**55 996**	**42 851**	**42 851**	**7 073**	**10 407**	**28 501**	18 095	**63.5%**	**42 851**
Roads Infrastructure		42 537	24 651	24 651	3 545	4 120	18 301	14 181	**77.5%**	24 651
Roads		42 537	24 621	24 621	3 545	4 120	18 271	14 151	**77.5%**	24 621
Road Furniture		–	30	30	–	–	30	30	**100.0%**	30
Electrical Infrastructure		6 248	10 300	10 300	2 019	2 386	5 050	2 664	**52.7%**	10 300
HV Substations		–	2 200	2 200	–	–	2 200	2 200	**100.0%**	2 200
MV Networks		6 248	8 100	8 100	2 019	2 386	2 850	464	**16.3%**	8 100
Water Supply Infrastructure		5 441	3 900	3 900	1 509	3 900	3 400	(500)	**-14.7%**	3 900
Water Treatment Works		500	1 000	1 000	500	1 000	1 000	–		1 000
Distribution		4 941	2 900	2 900	1 009	2 900	2 400	(500)	**-20.8%**	2 900
Sanitation Infrastructure		1 770	4 000	4 000	–	–	1 750	1 750	**100.0%**	4 000
Pump Station		1 770	–	–	–	–	–	–		–
Reticulation		–	4 000	4 000	–	–	1 750	1 750	**100.0%**	4 000
Community Assets		**1 722**	**5 280**	**5 332**	**1 941**	**2 951**	**4 998**	**2 048**	**41.0%**	**5 332**
Community Facilities		407	1 080	1 132	–	343	798	455	**57.0%**	1 132
Halls		–	–	–	–	–	–	–		–
Centres		173	550	602	–	55	298	244	81.7%	602
Public Open Space		29	280	280	–	138	250	112	44.6%	280
Nature Reserves		55	–	–	–	–	–	–		–
Public Ablution Facilities		150	250	250	–	150	250	100	40.0%	250
Sport and Recreation Facilities		1 315	4 200	4 200	1 941	2 607	4 200	1 593	**37.9%**	4 200
Outdoor Facilities		1 315	4 200	4 200	1 941	2 607	4 200	1 593	37.9%	4 200
Other assets		**424**	**900**	**900**	**83**	**405**	**600**	**195**	**32.5%**	**900**
Operational Buildings		424	900	900	83	405	600	195	**32.5%**	900
Municipal Offices		195	300	302	61	271	301	30	10.0%	302
Workshops		229	300	298	23	135	299	165	55.1%	298
Stores		–	300	300	–	–	–	–		300
Machinery and Equipment		**146**	**-**	**-**	**-**	**-**	**-**	**-**		**-**
Machinery and Equipment		146	–	–	–	–	–	–		–
Total Capital Expenditure on upgrading of existing a	1	**58 287**	**49 031**	**49 083**	**9 097**	**13 762**	**34 100**	**20 338**	**59.6%**	**49 083**

3. SERVICE DELIVERY PERFORMANCE ANALYSIS

3.1 PERFORMANCE MANAGEMENT WITHIN HESSEQUA MUNICIPALITY

3.1.1 PERFORMANCE FRAMEWORK

Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role players." This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

3.1.2 ORGANISATIONAL PERFORMANCE

The organisational performance is monitored and evaluated via the Service Delivery Budget Implementation Plan (SDBIP) and the performance process can be summarized as follows:

- The Top Layer SDBIP was approved by the Mayor on 23 June 2025 and loaded on an electronic web based system.
- All staff responsible for updating their actual performance against key performance indicator targets, are to update the system by the 15th of every month for the previous month's performance. Email reminders are sent to staff and assistance is provided by the Strategic Services Department.
- The informal first quarter evaluations of Senior Management were held on during November 2025 and the reports submitted to Management.
- Internal Audit performed a statutory quarterly performance audit for Quarter 1 during October 2025 and during January 2026 for Quarter . The Audit Committee meeting of November 2025 discussed the Quarter 1 report and Quarter 2 report will be discussed at Audit committee meeting scheduled for May 2026.

3.1.3 INDIVIDUAL PERFORMANCE MANAGEMENT

A formal process is implemented for officials reporting to Managers. Monitoring of organisational performance and of senior management, takes place as follows:

- Performance agreements for Senior Managers and the Municipal Manager for the 2025/2026 financial year were signed during July 2025, in accordance to The Municipal Systems Act, 2000 (Act 332 of 2000) and Regulation 805 (August 2006).
- Performance evaluations are held quarterly. The first and third quarter evaluations are informal and the second (mid-year) and fourth (final) quarters are formal evaluations.
- Informal evaluations are chaired by the Municipal Manager for the Senior Managers evaluations and the Mayor as chair for the Municipal Manager's evaluations.
- Formal evaluations are done as per approved performance management policy of Council.
- The informal first quarter evaluations of Senior Management were held on during November 2025 and the reports submitted to Management.
- Mid-Year evaluations will be held on 26 January 2026 and outcomes will be reported to the Council during February 2026.

3.2 DETAILED PERFORMANCE PER STRATEGIC OBJECTIVE FOR 01 JULY 2025 TILL 31 DECEMBER 2025

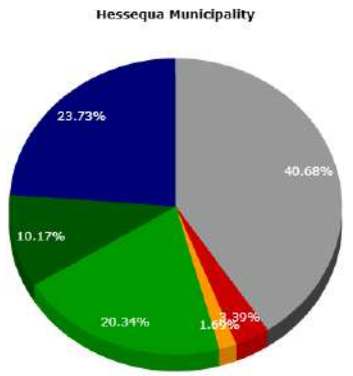
The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section provides an overview on the strategic achievement of the municipality in terms of the strategic intent and deliverables achieved as stated in the IDP.

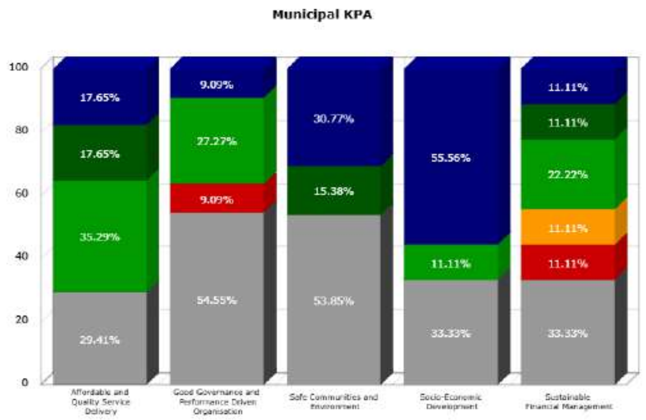
The Top Layer (strategic) SDBIP is the municipality's strategic plan and shows the strategic alignment between the different documents (IDP, Budget and Performance Agreements).

In the paragraphs below the performance achieved is illustrated against the Top Layer SDBIP according to the strategic objectives.

The table below explains the method by which the overall assessment of actual performance is measured against targets set for the key performance indicators:

Category	Colour	Explanation
KPI's Not Met		0% >= Actual/Target < 75%
KPI's Almost Met		75% >= Actual/Target < 100%
KPI's Met		Actual/Target = 100%
KPI's Well Met		100% > Actual/Target < 150%
KPI's Extremely Well Met		Actual/Target >= 150%





	Hessequa Municipality	Municipal KPA				
		Affordable and Quality Service Delivery	Good Governance and Performance Driven Organisation	Safe Communities and Environment	Socio-Economic Development	Sustainable Financial Management
Not Yet Applicable	24 (40.68%)	5 (29.41%)	6 (54.55%)	7 (53.85%)	3 (33.33%)	3 (33.33%)
Not Met	2 (3.39%)	-	1 (9.09%)	-	-	1 (11.11%)
Almost Met	1 (1.69%)	-	-	-	-	1 (11.11%)
Met	12 (20.34%)	6 (35.29%)	3 (27.27%)	-	1 (11.11%)	2 (22.22%)
Well Met	6 (10.17%)	3 (17.65%)	-	2 (15.38%)	-	1 (11.11%)
Extremely Well Met	14 (23.73%)	3 (17.65%)	1 (9.09%)	4 (30.77%)	5 (55.56%)	1 (11.11%)
Did Not Occur	-	-	-	-	-	-
Total:	59	17	11	13	9	9
	100%	28.81%	18.64%	22.03%	15.25%	15.25%

Overall Performance for the period ended 31 December 2025, for Municipal KPA's

Mid –year Budget and Performance Report for 2025/26

A) Affordable and Quality Service Delivery

Ref	KPI	Unit of Measurement	Corrective Measures/ Performance Comment	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025		
				Target	Actual	R	Target	Actual	R	Target	Actual	R
TL1	90% Expenditure of the Approved Capital Budget for the Municipality by end of financial year	% of budget spent	Target met	5%	23.67%	B	15%	42.96%	B	**15%**	**42.96%**	B
TL2	90% Expenditure of the Approved Operational Budget for the Municipality by end of financial year	% of budget spent	Target met	5%	17.19%	B	30%	42%	B	**30%**	**42%**	B
TL3	The % of registered indigent account holders (poor households) with access to free basic services	Number of registered indigent households with access to free basic services	Target met	90%	90%	G	90%	90%	G	**90%**	**90%**	G
TL4	% Provision of electricity to residential properties connected to the municipal infrastructure network for both prepaid and credit electrical metering	Percentage of formal residential properties connected to the municipal electrical infrastructure network	Target met	90%	90%	G	90%	90%	G	**90%**	**90%**	G
TL5	% Provision of refuse removal and solid waste disposal for residential account holders	Percentage of residential properties billed for refuse removal	Target met	90%	90%	G	90%	90%	G	**90%**	**90%**	G
TL6	% Provision of sanitation/sewerage services to residential account holders	Percentage of residential properties billed for sanitation/sewerage services	Target met	90%	90%	G	90%	90%	G	**90%**	**90%**	G
TL7	% Provision of water to residential properties connected to the municipal infrastructure network for both prepaid and credit metering	Percentage of formal residential properties connected to the municipal water network	Target met	90%	90%	G	90%	90%	G	**90%**	**90%**	G
TL49	Submit stormwater masterplan for Stilbaai	Masterplan completed and submitted	Not yet measured	0	0	N/A	0	0	N/A	**0**	**0**	N/A
TL50	90% Expenditure of the approved Capital Budget of the Technical Department for Financial year	% capital budget spent	Target met	15%	26.58%	B	40%	44.71%	G2	**40%**	**44.71%**	G2
TL51	90% Expenditure of the approved Operational Budget of the Technical Department for financial year	% of expenditure budget spent	Target met	15%	28.10%	B	40%	64.87%	B	**40%**	**64.87%**	B
TL52	Compile telemetry implementation plan for Stilbaai	Telemetry implementation plan compiled	Target met	1	1	G	0	0	N/A	**1**	**1**	G

Ref	KPI	Unit of Measurement	Corrective Measures/ Performance Comment	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025		
				Target	Actual	R	Target	Actual	R	Target	Actual	R
TL53	Waste water quality maintained in line with SANS 241 waste water quality indicators	Average 80% of E.coli results to comply with the SANS 241 standards for all waste water works	Target met	80%	83.33%	G2	80%	86.67%	G2	**80%**	**85%**	G2
TL54	Water quality maintained in line with SANS 241 water quality indicators	average 90% of E.coli results to comply with the SANS 241 standards for all water works	Target met	90%	100%	G2	90%	100%	G2	**90%**	**100%**	G2
TL55	Limit water losses to less than 30% for financial year	% of water losses	Not yet measured	0%	0%	N/A	0%	0%	N/A	**0%**	**0%**	N/A
TL56	Water demand and conservation study in Riversdale	Water demand study completed	Not yet measured	0	0	N/A	0	0	N/A	**0**	**0**	N/A
TL57	90% Expenditure of Municipal Infrastructure Grant (MIG) for Financial year	% of Grant spent	Not yet measured	0%	0%	N/A	0%	0%	N/A	**0%**	**0%**	N/A
TL59	Limit electricity losses to 10% for financial year	% unaccounted electricity	Not yet measured	0%	0%	N/A	0%	0%	N/A	**0%**	**0%**	N/A

Table 1. Actual performance for 01 July 2025 – 31 December 2025 for the Strategic Objective : Affordable and Quality Service Delivery

B) GOOD GOVERNANCE AND PERFORMANCE DRIVEN ORGANISATION

Ref	KPI	Unit of Measurement	Corrective Measures/ Performance Comment	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025		
				Target	Actual	R	Target	Actual	R	Target	Actual	R
TL8	Development & Submission of Annual Performance Report to AGSA by end August	Submission of documentation in time	Target met	1	1	G	0	0	N/A	**1**	**1**	G
TL9	Submission of Final IDP submitted to Council by May annually	Final IDP submitted to Council by May annually	Not yet measured	0	0	N/A	0	0	N/A	**0**	**0**	N/A
TL10	Report quarterly on the implementation of Internal Audit Reports to the Audit committee	Number of reports submitted	Target met	1	1	G	1	1	G	**2**	**2**	G

Ref	KPI	Unit of Measurement	Corrective Measures/ Performance Comment	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025		
				Target	Actual	R	Target	Actual	R	Target	Actual	R
TL11	The number of employees appointed to positions that are in line with the Employment Equity Plan targets.	% of appointments that are in line with the approved Employment Equity Plan targets	Not yet measured	0%	0%	N/A	0%	0%	N/A	**0%**	**0%**	N/A
TL12	Maintain an average vacancy rate of less than 10% of budgeted staff establishment	Average % vacancy rate less than 10% reported Quarterly to Portfolio committee	Target met	10%	5%	B	10%	4.80%	B	**10%**	**4.90%**	B
TL13	Implement the Workplace Skills Plan annually (Actual training obtained by staff divided by staff identified for training)	% of personnel identified for training that completed training annually	Not yet measured	0%	0%	N/A	0%	0%	N/A	**0%**	**0%**	N/A
TL14	Develop ICT Policy Compliance Framework.	Approved ICT compliance framework.	Target met	0	0	N/A	1	1	G	**1**	**1**	G
TL15	Develop a central electronic platform where members of the public can submit/register complaints and service requests as well as receive newsfeed, notifications and municipal accounts.	Development of central electronic platform.	Not yet measured	0	0	N/A	0	0	N/A	**0**	**0**	N/A
TL16	90% Spending of Municipal Replacement fund (Grant) and Community Library Services Grant by end of June of the financial year	Percentage of grant spent	Not yet measured	0%	0%	N/A	0%	0%	N/A	**0%**	**0%**	N/A
TL17	Review of the insured values of municipal buildings	Insurance values reviewed	Not yet measured	0	0	N/A	0	0	N/A	**0**	**0**	N/A
TL19	Compile a Marketing Strategy for the camps to increase the occupation rate and revenue, especially during the off season period	Marketing Strategy submitted to Portfolio Committee	The item was retracted from the Agenda, and will be resubmitted to the February 2026 Portfolio Committee as per discussion with the Director Corporate Management.	0	0	N/A	1	0	R	**1**	**0**	R

Table 2. Actual performance for 01 July 2025 – 31 December 2025 for the Strategic Objective : Good Governance and Performance driven Organisation

C) SUSTAINABLE FINANCIAL MANAGEMENT

Ref	KPI	Unit of Measurement	Corrective Measures/ Performance Comment	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025		
				Target	Actual	R	Target	Actual	R	Target	Actual	R
TL20	Complete the Annual Financial Statement and submit to the Auditor General by 31 August annually	Statements submitted	Target met	1	1	G	0	0	N/A	1	1	G
TL21	Report Bi-annually on the progress made on the Audit Outcomes report	Number of reports submitted to the Mayoral Committee	Not yet measured	0	0	N/A	0	0	N/A	0	0	N/A
TL22	Submit a liquidity report of the Municipality to the Mayoral Portfolio Committee annually	Number of reports submitted	Not yet measured	0	0	N/A	0	0	N/A	0	0	N/A
TL23	Unqualified Financial Audit as reported by Auditor General	Number of Unqualified Financial Audit result	Target met	0	0	N/A	1	1	G	1	1	G
TL24	Indigent affordability assessment report submitted to Portfolio Committee by February	Report submitted	Not yet measured	0	0	N/A	0	0	N/A	0	0	N/A
TL25	Complete the annual stock take to ensure that at least 80% inventory is accounted for by the end of June and report to Council by the end of August	Annual stock take completed by July and report by August on the % of stock accounted for	Target met	80%	100%	G2	0%	0%	N/A	80%	100%	G2
TL26	Management of Income annual payment rate of thresholds higher than 95% for financial year	% Income thresholds higher than 95% maintained for financial year	Target almost met . Strict implementation of credit control policy by blocking of pre-paid meters in order for consumers to make appropriate arrangements to settle debt that will increase the collection rate.	0	0	N/A	95	93.16	O	95	93.16	O
TL27	Conduct quarterly outreaches to satellite offices for internal Revenue Management / Customer Care Improvement	Number of outreaches conducted at satellite offices	Target met	1	1	G	1	2	B	2	3	B
TL28	Conduct Outreach to external stakeholders for SCM Processes education	Number of outreaches conducted	No outreaches were conducted. SCM are in consultation with the LED unit to Collaborate with them on their outreaches	0	0	N/A	1	0	R	1	0	R

Table 3. Actual performance for 01 July 2025 – 31 December 2025 for the Strategic Objective : Sustainable Financial Managment

D) SAFE COMMUNITIES AND ENVIRONMENT

Ref	KPI	Unit of Measurement	Corrective Measures/ Performance Comment	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025		
				Target	Actual	R	Target	Actual	R	Target	Actual	R
TL18	90% Expenditure of Approved budget for maintenance of Municipal camp sites by end of Financial year	% Budget Spent	Target met	15%	25.92%	B	40%	61.67%	B	**40%**	**61.67%**	B
TL38	90% expenditure of funds allocated for Eradication of Title Deed Transfer Backlogs	% of funds spent of the budgeted amount for the eradication of Title Deeds Transfer Backlogs	Target met	0%	0%	N/A	5%	6%	G2	**5%**	**6%**	G2
TL39	Monthly collection value of Traffic fines.	Achieve monthly collection rate of R 750 000.	Target met	2 250 000	9 328 087	B	2 250 000	6 736 295	B	**4 500 000**	**16 064 382**	B
TL40	The successful obtaining of one (1) prohibitory interdict / declaratory order on all the pieces of vacant land earmarked for future housing projects against illegal occupation .	Interim / Final Court Orders	Not yet measured	0	0	N/A	0	0	N/A	**0**	**0**	N/A
TL41	Implement Thusong Outreach Programmes for financial year	Number of programmes	Target met	6	9	B	4	9	B	**10**	**18**	B
TL42	% Spending of Capital funding of to be established Department of Home Affairs Service Point.	% of funding spent to establish service point	Not yet measured	0%	0%	N/A	0%	0%	N/A	**0%**	**0%**	N/A
TL43	90% Spending of Provincial funding for the rolling out of Affordable Housing initiatives	% of funding spent for rolling out of affordable housing initiatives	Not yet measured	0%	0%	N/A	0%	0%	N/A	**0%**	**0%**	N/A
TL44	40 BNG Top Structures or housing opportunities Melkhoutfontein Project	Number of top structures or housing opportunities at Melkhoutfontein	Not yet measured	0	0	N/A	0	0	N/A	**0**	**0**	N/A
TL45	33 Housing opportunities for qualifying beneficiaries who fall in the income bracket of between R3501 and R7000	Number of housing opportunities created	Not yet measured	0	0	N/A	0	0	N/A	**0**	**0**	N/A
TL46	Handover of Title Deeds	Number of Title Deeds handed over	Target met	35	36	G2	35	36	G2	**70**	**72**	G2

Ref	KPI	Unit of Measurement	Corrective Measures/ Performance Comment	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025		
				Target	Actual	R	Target	Actual	R	Target	Actual	R
TL47	Receive a performance of not less than 80% for the formal Provincial Audits on the Licensing Agency Services	Average % achieved for the financial year	Not yet measured	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A
TL48	Feasibility study - Municipal Pound Services to be outsourced	Study submitted to PC	Not yet measured	0	0	N/A	0	0	N/A	0	0	N/A
TL58	Tons recycle waste per year as reported by Henque Waste	Monthly Henque Waste reports	Target met	375	512.12	B	375	546.49	B	750	1 058.61	B

Table 4. Actual performance for 01 July 2025 - 31 December 2025 for the Strategic Objective : Safe Communities and Environment

E) SOCIO-ECONOMIC DEVELOPMENT

Ref	KPI	Unit of Measurement	Corrective Measures/ Performance Comment	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025		
				Target	Actual	R	Target	Actual	R	Target	Actual	R
TL29	Quarterly report on Development Trends to PC	Number of reports submitted to PC	Target met	1	1	G	1	1	G	2	2	G
TL30	Stilbaai: Implementing Phase I of the Western Bypass Road	Phase 1 implemented	Not yet measured	0	0	N/A	0	0	N/A	0	0	N/A
TL31	Evaluate land use applications within 120 days by the Planning Tribunal, after receipt of all relevant information and documents in terms of SPLUMA	Average number of days to process land use applications received not exceeding 120 days	Target met	120	0	N/A	120	62	B	120	62	B
TL32	Process land use applications within 14 working days	Average number of days to process land use applications received not exceeding 14 working days	Target met	14	2.32	B	14	2.98	B	14	2.65	B

Ref	KPI	Unit of Measurement	Corrective Measures/ Performance Comment	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025		
				Target	Actual	R	Target	Actual	R	Target	Actual	R
TL33	Inspect illegal Building use activities and issue a notice within 10 working days after receipt of a formal, written complaint	Average number of days to issue notices not exceeding 10 working days	Target met	10	4.33	B	10	2.67	B	**10**	**3.50**	B
TL34	Finalise occupancy certification within 14 days after receipt of all applicable information	Average number of days to finalise occupancy certificates not exceeding 14 days	Target met	14	6	B	14	3.33	B	**14**	**4.67**	B
TL35	Operational budget spent for Environmental Management Department	% of budget spent	Not yet measured	0%	0%	N/A	0%	0%	N/A	**0%**	**0%**	N/A
TL36	Witsand: reconstruction of the Duma Jetty	Completed reconstruction of Duma Jette	Not yet measured	0	0	N/A	0	0	N/A	**0**	**0**	N/A
TL37	90% expenditure of Tourism Budget	% of expenditure spent	Target met	0%	0%	N/A	30%	48%	B	**30%**	**48%**	B

Table 5. Actual performance for 01 July 2025– 31 December 2025 for the Strategic Objective: Socio-Economic Development

3.3 SUMMARY AND CHALLENGES

Early indications are that the performance against the output and goals of the Service Delivery Budget Implementation Plan (SDBIP) are on track with minor performance deviations reported, but no major challenges.

The revised Top Layer SDBIP will be submitted with the Adjustments Budget to Council by the end of February 2026 with the necessary motivation where key performance indicator targets require adjustment as a result of the Adjustments Budget.

4. ORGANISATIONAL STRUCTURE

The staff establishment for the first 6 months were projected at 690 permanent posts, however this reflects the ideal number of posts and not the number of posts budgeted for. The number of posts that are budgeted for in the financial year is dependent on municipal revenue and other associated fiscal demands.

The number of permanent posts that were vacant and budgeted for, as well as the actual permanent positions filled and the vacancy rate (funded and total), are indicated in the table below:

MONTH	Perm	F-T Con	Out	In	% Funded	% Total
December 2025	577	22	1	7	4.2%	13.2%
November 2025	573	20	2	4	5.3%	14%
October 2025	574	21	0	0	5%	13.7%
September 2025	574	21	1	2	5%	13.7%
August 2025	573	21	1	4	5%	14.3%
July 2025	572	19	0	2	5.4%	14.3%

5. QUALITY CERTIFICATE

I, **A S A de Klerk**, the acting municipal manager of **Hessequa Municipality (WC042)**, hereby certify that –

Mid- year budget and performance assessment

For the period **July 2025 to December 2025** has been prepared in accordance with the Municipal Finance Management Act (**Section 72**) and regulations made under the Act.

Print name **: Mr A S A de Klerk**
Municipal Manager of Hessequa Municipality – WC042

Signature ………………….
Date 19 January 2026

Print name: **Councillor G Riddles**
Executive Mayor of Hessequa Municipality – WC042

Signature ………………….
Date: 19 January 2026