

# MOHOKARE LOCAL MUNICIPALITY FS 163

Mid-Year Budget and Performance Report  
2025/2026 FY

# Mid-Year Budget and Performance Report 2025/2026 FY

## Acronyms

ACRONYM	DEFINITION
SDBIP	Service Delivery Budget and Implementation Plan
IDP	Integrated Development Plan
KPA	Key Performance Area
KPI	Key Performance Indicator
MSA	Municipal Systems Act
MFMA	Municipal Finance Management Act
MLM	Mohokare Local Municipality
PMS	Performance Management System
M	Meter
ML	Milliliter
WSDP	Water Services Development Plan
EPWP	Extended Public Works Programme
LLF	Local Labour Forum
HR	Human Resource
EXCO	Executive Committee
ICT	Information and Communication Technology
FY	Financial Year
IA	Internal Audit
AR	Annual Report
APR	Annual Performance Report
AFS	Annual Financial Statement
RMC	Risk Management Committee
PAC/AC	Audit Committee
PAC	Performance Audit Committee
UIFW	Unauthorised Irregular Fruitless and Wasteful Expenditure
SCM	Supply Chain Management
VAT	Value Added Tax
HH	Household
GRAP	Generally Recognised Accounting Practise
AGSA	Auditor General South Africa
NT	National Treasury
PT	Provincial Treasury
mSCOA	Municipal Standard Chart of Accounts
LED	Local Economic Development
SMME	Small Medium and Micro Enterprises
IWMP	Integrated Waste Management Plan
FY	Financial Year
CoGTA	Cooperative Governance and Traditional Affairs
SDP	Spatial Development Plan
SPLUMA	Spatial Planning and Land Use Management Act
MPT	Municipal Planning Tribunal
MTREF	Medium Term Revenue and Expenditure Framework
SO	Strategic Objective
SFA	Strategic Focus Area
FMS	Financial Management System
SARS	South African Revenue Services
MM	Municipal Manager
CFO	Chief Financial Officer
SNR	Senior Manager
SEC	Section
PPE	Personal Protective Equipment
POE	Portfolio of Evidence
SAWIS	South African Waste Information System

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ACRONYM	DEFINITION
NEMWA	National Environmental Management Waste Act

## INTRODUCTION

### **Mayors Executive Summary**

This report provides a summary of the key budgetary issues identified through the budget monitoring process. It evaluates the progress of the budget by comparing actual income and expenditure against the projections outlined in the Service Delivery and Budget Implementation Plan (SDBIP).

The report further provides a comprehensive overview of the municipality's financial and operational performance as of December 2025, highlighting key areas of concern and progress. Additionally, this report is prepared in compliance with Sections 72(1)(a) and (b), 72(2), and 72(3)(a) and (b) of the Municipal Finance Management Act (MFMA), as well as the requirements of the Municipal Budget and Reporting Regulations.

These provisions mandate the reporting of specific financial details in the prescribed formats. As part of this review, the accounting officer is required to assess whether an adjustment budget is necessary and to provide revised projections for revenue and expenditure where applicable.

The financial performance of the municipality for the first half of the 2025/2026 financial year reflects significant revenue collection challenges, with an average collection rate of only 17%, far below the required level to sustain operational expenses. The municipality billed R51,189,571.66 million, yet only collected R8,535,165.57 million, including prepaid electricity sales. In addition, the municipality needs to fast track the payment of the financial system as its impacts negatively on billing of accounts such that alternative measures or steps must be implemented to address the challenge of billing account.

This shortfall has resulted in increasing dependence on external grants, posing a risk to long-term financial sustainability. Contributing factors to low revenue collection include poor payment culture, and historical household debt, particularly among indigent residents.

Efforts to improve revenue collection have been met with limited success, with a concerning trend of account holders defaulting on payment arrangements within two months. Additionally, credit control staff lack adequate training, and the absence of a dedicated legal unit has hindered effective enforcement against persistent defaulters.

To address these challenges, the Finance Department must implement measures such as reviewing repayment arrangements, strengthening community engagement, improving credit control enforcement through ward committees, and establishing key performance indicators (KPIs) for debt recovery.

The municipality must also explore external debt collection services to enhance arrears recovery. Furthermore, an adjustment budget will be developed to align anticipated revenue with expenditure realities.

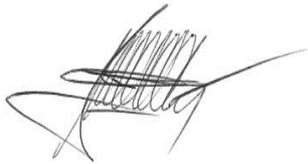
Overall, the municipality should implement strategic interventions to improve financial stability, enhance revenue collection, and ensure sustainable service delivery. However, urgent action is required to address inefficiencies, enforce stronger credit control measures, and reassess financial policies to reduce dependency on external funding and ensure long-term viability.

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At the halfway mark of the 2025/2026 financial year, the municipality's operating expenditure stands at 64% of the annual budget, while revenue collections remain at only 17% of the target. This revenue shortfall indicates that income is not keeping pace with budgeted expectations, posing a risk of a funding gap if the trend continues. To maintain fiscal sustainability, a downward adjustment in revenue projections may be necessary, which would require corresponding expenditure reductions. Identifying non-essential costs, reassessing service delivery priorities, and implementing cost-saving measures will be crucial in ensuring financial stability and preventing future cash flow challenges.

Given the financial constraints, proactive budget adjustments, strict expenditure control, and effective debt management strategies are critical to ensuring long-term fiscal stability. Close monitoring of revenue trends and creditor obligations will be essential in the coming months to prevent financial distress and maintain essential municipal services.



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**Clr Teboho Mochechepa**  
**Mayor**  
**Mohokare Local Municipality**

### **RESOLUTION BY THE MAYOR**

- It is resolved that a number of variances noted in this report are due to challenges regarding the municipality's budgeting and operations. The municipality intends to submit an adjustment budget as per MFMA regulations to correct most of the variances noted above.
- A budget reconciliation has been conducted in order to identify votes that have been overspent or underspent as well as any misalignments in the budget.
- That permission be granted to the Municipal Manager to submit the mid-year budget and performance assessment report be submitted to the National and Provincial Treasury within five (5) working days after it was tabled to the Mayor;
- That the mid-year budget and performance assessment be placed on the municipal website within five (5) working days after it was tabled to the Mayor.

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## 2 – BUDGET AND FINANCE ANALYSIS

*Table 1: Income for July to December 2025*

### Arrear Debt

BILLING vs COLLECTION BY TYPE OF SERVICE			
TypeOfService	TotalSettlements	Billing	PaymentRate(Billing)
PAYMENT	175 023.68	-	0%
RENT	- 141 411.93	312 832.83	45%
PROPERTY RENTAL	- 5 000.00	-	0%
RATES	- 28 078.07	-	0%
LEVY	- 2 703.20	588 456.80	1%
NEW RATES	-2 361 409.27	9 238 802.10	26%
ELECTRICITY	- 745 748.93	251 596.73	296%
WATER	- 892 783.75	12 907 937.78	7%
SEWERAGE	-1 516 677.04	4 891 990.58	31%
REFUSE	- 292 615.15	2 950 060.34	10%
MEDICAL	-	5 376.00	0%
VAT	- 398 483.95	3 197 292.02	12%
DEPOSIT	- 12 401.97	-	0%
INTEREST	- 636 829.16	16 845 226.48	4%
PAYMENT ADVANCED	-1 676 046.83	-	0%
<b>Total</b>	<b>-8 535 165.57</b>	<b>51 189 571.66</b>	<b>17</b>

BILLING vs COLLECTION BY TOWN/SUBURB			
Suburb	TotalSettlements	Billing	PaymentRate(Billing)
ZASTRON FARMS	- 443 969.97	1 818 753.23	19%
ROUXVILLE FARMS	- 530 635.25	2 309 719.03	17%
SMITHFIELD FARMS	- 427 217.55	2 256 271.30	12%
DEWETSDORP FARMS	- 226 270.20	830 538.50	28%
REDDERSBURG FARMS	- 55 836.50	268 475.33	11%
WEPENER FARMS	-	222.50	0%
ZASTRON	-2 297 147.36	4 418 938.08	45%
ZASTRON: Matlakeng	- 227 237.19	14 141 434.14	1%
ROUXVILLE	-1 181 115.15	4 019 234.25	17%
ROUXVILLE: Uitkomst	- 28 518.68	621 233.43	4%
ROUXVILLE: Roleleathunya	- 169 606.47	7 175 035.56	2%
SMITHFIELD: Rietpoort	- 42 069.77	596 858.32	7%
SMITHFIELD: Mofulatshepe	- 79 430.56	7 960 484.51	1%
SMITHFIELD	-1 009 784.43	3 881 912.87	24%
PAYMENT ADVANCED	- 299 377.58	-	0%
Other	-1 516 948.91	890 460.61	14%
<b>Total</b>	<b>-8 535 165.57</b>	<b>51 189 571.66</b>	<b>17</b>

There is a notable increase on the payment rate from 6% in June 2025 to 17% in December 2025.

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The increase is as a result of intervention by the Provincial Treasury with the establishment of Revenue Forums that encourages Schools and other institutions to resolve account queries and pay municipalities. The other contributing factor is payments made by farmers, who had grabbed the opportunity of discount on full settlement of property rates and electricity billing which contributed the highest rate of 296%.

The Municipality is expecting an increase in property rates collection especially on Government properties due to supplementary valuation roll that was conducted for 2025/2026, which updated Government properties that were undervalued.

In order to increase the collection, the municipality has issued notices to restrict water and electricity to customers who are in arrears with their accounts.

The municipality is in the process to intensify the collection on businesses, this may go as far as restricting the buying of electricity or deducting a certain portion when the client buys electricity.

### Debtors Analysis

**Table 2: Summary of Debtors as at 31 December 2025**

TypeOfService	Current	30 Days	60 Days	90 Days	120 Days	150 Days>	Total
PAYMENT	-1 376 669.25	-102 245.60	-95 416.46	-70 687.45	-25 099.90	-8 978 642.94	-10 648 761.60
RENT	78 160.86	69 532.75	120 584.33	64 999.97	56 760.83	3 604 773.48	3 994 812.22
PROPERTY RENTAL	-	-	-	-	-	180 100.34	180 100.34
RATES	-	-	-	-	-	4 799 066.70	4 799 066.70
LEVY	157 105.20	149 351.94	147 053.49	143 125.16	116 386.53	12 021 971.62	12 734 993.94
NEW RATES	990 717.02	837 632.71	829 631.76	5 851 508.05	-0.27	36 086 248.40	44 595 737.67
ELECTRICITY	66 423.63	69 615.74	161 367.96	8 830 325.30	248 350.71	1 815 173.16	11 191 256.50
WATER	1 944 442.25	-747 523.72	6 071 884.47	2 385 141.33	6 334 965.53	229 310 302.72	245 299 212.58
ARREAR SERVICES	-	-	-	-	-	70 702.33	70 702.33
SEWERAGE	1 299 053.23	1 086 676.33	1 175 093.07	1 132 928.32	945 146.98	68 596 127.50	74 235 025.43
REFUSE	789 930.81	699 989.65	717 862.07	683 693.43	566 228.06	38 896 729.31	42 354 433.33
SERVICES FEES	-	-	-	-	-	17 201.40	17 201.40
MISCELLANEOUS	-	-	-	-	-	916.82	916.82
MEDICAL	1 344.00	-	-	-	-	-	1 344.00
VAT	667 379.19	226 168.28	1 174 689.57	1 944 538.09	989 802.34	49 421 397.60	54 423 975.07
DEPOSIT	4 932.87	-	2 830.20	-	898.5	39 078.00	47 739.57
INTEREST	4 390 797.23	4 348 328.57	4 310 973.41	4 109 331.07	4 030 478.62	153 329 364.52	174 519 273.42
<b>TOTAL</b>	<b>9 013 617.04</b>	<b>6 637 526.65</b>	<b>14 616 553.87</b>	<b>25 074 903.27</b>	<b>13 263 917.93</b>	<b>589 210 510.96</b>	<b>657 817 029.72</b>

Account Type	Current	30 Days	60 Days	90 Days	120 Days	150 Days>	Total
PB ORGANISATION	19 566.23	12 340.28	11 104.54	9 348.66	10 448.71	335 053.03	397 861.45
NONE	-	-	-	-	-	799.7	799.7
SILOS	4 346.33	4 346.33	4 346.33	427 629.50	633.32	79 165.00	520 466.81
BUSINESS	856 910.43	820 220.68	1 498 846.24	7 854 759.08	699 566.31	46 128 330.16	57 858 632.90
GOVERNMENT	505 607.80	1 570 645.86	1 976 788.92	9 406 579.89	1 864 438.08	68 409 431.63	83 733 492.18
INDIGENTS	642.2	436.64	-	-	-	-	1 078.84
RELIGIOUS	17 407.60	15 214.89	15 519.78	14 924.96	20 942.69	873 922.73	957 932.65
RESIDENTIAL	7 609 136.45	4 214 321.97	11 109 948.06	7 361 661.18	10 667 888.82	473 383 808.71	514 346 765.19
<b>TOTAL</b>	<b>9 013 617.04</b>	<b>6 637 526.65</b>	<b>14 616 553.87</b>	<b>25 074 903.27</b>	<b>13 263 917.93</b>	<b>589 210 510.96</b>	<b>657 817 029.72</b>

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There is an increase of about 10% in our debtors book as compared to R593 872 796.94 in December 2024. The increase is a result of low collection and low number of residents applying for indigent subsidy.

Even though households contribute about 80% of the total debt as at mid-year, there is a reason to believe that most of these debtors are indigent. During the third quarter onward we are expecting the decrease in Residential debt, as the applications that were received during the indigent roadshow in October and November will have an impact on the monthly billing thereby decreasing monthly billing.

The municipality is in the process to intensify the collection on businesses, this may go as far as restricting the buying of electricity or deducting a certain portion when the client buys electricity. The processes are expected to take place in the second half of the financial year. As part of revenue enhancement, we will undertake a payment incentive scheme where debtors will qualify for a percentage incentive approved by Council.

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**Table 3: Creditors as at 31 December 2025**

	<b>Current</b>	<b>30days</b>	<b>60 days</b>	<b>90days</b>	<b>120+days</b>	<b>Total Due</b>
<b>Total Trade Creditors</b>	685 327.19	6 015 176.21	1 252 614.51	9 217 110.52	241 690 227.12	258 860 455.60
<b>Total Payroll Creditors</b>	2 215 250.00	3 000 589.00	3 915 259.14	4 145 069.97	169 598 265.11	182 874 433.22

Included in the above breakdown of Payroll Creditors are all payables related to Third Parties, Accrued Leave Pay and Accrued Bonuses.

The Creditor's age analysis reveals a notable increase in outstanding payments, rising from R 184 268 127.73 to R 258 860 455.60, indicating a lengthening payment period to suppliers. This rise suggests potential low cash flow management. Notably this trend can strain relationships with suppliers, potentially impacting future credit terms and service delivery. Reviews will be done to optimise payments processes to align with cash flow projections.

Due to cash flow constraints the Municipality is struggling to pay outstanding creditors within the 30-day timeframe as set out in the Municipal Finance Management Act. Strategies are being implemented to assist with the Municipality's cash flow, such as the appointment of a Service Provider to assist with the VAT review for the past five years in order to determine whether there are any unclaimed Input VAT that can be claimed from the South African Revenue Services (SARS).

Further, the Municipality entered into payment arrangements with several long outstanding creditors in order to be able to pay off the amounts outstanding to them.

The municipality prepared a Budget Funding Plan to devise a plan for financial turnaround of the municipality within a period of three years. The plan covers the short, medium and long term strategies to improve the financial viability of the municipality. This is in order to ensure that the Municipality even further enhance the cash flow and the financial viability of the Municipality.

In consideration of the above, the accounting officer should ensure that the Budget Funding Plan is reviewed at least half yearly to ensure the main objectives of the plan are achieved. Quarterly reviews are recommended to ensure adequate monitoring of the implementation of the MTREF plan.

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**Table 4: Top Creditors at 31 December 2025**

	<b>Current</b>	<b>30days</b>	<b>60 days</b>	<b>90days</b>	<b>120days</b>	<b>121+days</b>	<b>Total Due</b>
<b>Auditor General(SA)</b>	2 037 340.31	4 003 306.84	1 867 880.90	1 303 265.25	390 968.08	7 707 697.38	17 310 458.76
<b>Eskom Bulk</b>	4 852 816.70	-	4 896 653.57	11 545 720.66	92 988 977.34	-	114 284 168.27
<b>MunSoft (Pty) Ltd</b>	-	444 719.48	518 072.35	501 569.50	-	17 209.537.82	18 673 899.15
<b>Centlec</b>	-	-	-	-	-	89 288749.61	89 288 749.61
<b>SALGA</b>	-	-	-	-	-	8 018 168.00	8 018 168.00
<b>Eskom</b>	-	-	-	-	-	2 130 660.50	2 130 660.50
<b>Department of Labour</b>	-	-	-	-	-	867 677.06	867 677.06

**Auditor General** - During the Mid-Year 2024/2025 the Municipality was owing about R 13 892 503.06 compared to Mid-year 2025/2026 of R 17 310 458.76, we see a slight increase of R3 417 955.70 in the 12-month period, the reason for this slight increment is as a result of new invoices and the fact that Municipality is honouring the payment arrangements in place regardless of the financial constrain.

The municipality is currently struggling to keep up with the payments required by Eskom, SALGA, Centlec and Munsoft (Pty) Ltd, the difference between Mid-Year 2024/2025 figures and Mid-year 2025/2026 figures emanates from Interest and Penalties, as the Creditors are continuously charging us due to non-payments.

The Municipality has entered into repayment arrangements with their key/top Creditors. These Payment Arrangements have been structured in a manner that would ensure that the Net Cash Flows of the Municipality are positive and that the Legal Obligations of the terms of the arrangements are met.

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## Investment Portfolio Analysis and Cash Management

**Table 5: Investments**

Below is a table that details the investments as at 31 December 2025

<b>FINANCIAL INSTITUTION</b>	<b>DESCRIPTION</b>	<b>CLOSING BALANCE</b>
FNB	CURRENT ACCOUNT	R 275 882.17
ABSA	MAIN	R 5 567 658.91
ABSA TRAFFIC	TRAFFIC	R 20 429.47
FNB INVESTMENT	INVESTMENT ACCOUNT	R 101 948.59
FNB BUSINESS	BUSINESS ACCOUNT	R 9 934.01
STANDARD BANK	BUSINESS ACCOUNT	R 2 006 300.75

The Municipality has a Positive Bank balances which indicates a robust financial health and prudent budgeting, the Municipality did not commit on any obligation such as bank overdraft and loans as of the mid-year of 2025/2026.

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**Table 6: Grants as at 31 December 2025**

Description	Total Allocation	Received to date	Spent to date	% spent for 2025/26 allocation received	% spent for 2025/26 total allocation
FMG	3 000 000.00	3 000 000.00	2 065 314.63	68%	68%
MIG	23 776 000.00	3 357 000.00	3 733 576.32	111%	15%
WSIG	21 000 000.00	2 400 000.00	583 734.97	24%	2%
INEP	3 000 000.00	1 200 000.00	-	0%	0%
Provincial Limited Financial Support	3 825 000.00	-	-	0%	0%
	<b>54 601 000.00</b>	<b>9 957 000.00</b>	<b>6 382 625.92</b>		

**Financial Management Grant** – an allocation of R3,000,000 and expenditure of 68% as at December 2025. This demonstrates a good expenditure against the norm.

**Municipal Infrastructure Grant** – the conditional grant was re-gazetted to the Xhariep District Municipality. As at December 2025 the expenditure is reported at 15% indicative of an underspending of the grant.

**Water Services Infrastructure Grant** – the conditional grant is underspent at 2% as at December 2025, indicative of an underspending of the grant.

**Integrated National Electrification Grant** - the conditional grant is underspent at 0% as at December 2025, indicative of an underspending of the grant.

**Provincial Financial Support** – Mohokare LM is allocated an amount of R3,825,000 by the Free State CoGTA, towards the payment of the financial system. No expenditure is recorded as at December 2025.

Remedial actions in terms of Grant expenditure include under more the following:

- ✓ Capital projects and expenditure needs to be prioritized from both the project management unit and finance unit;
- ✓ We need to identify risk areas where possible additional costs may be incurred;
- ✓ Community needs to be identified for service delivery which could lead to additional capital costs; and
- ✓ We need better planning of budgeting for the capital and operational expenditure of the municipality, and to limit wastages and identify unforeseen expenditure.

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**Table 7: Councillor Allowances and employee benefits**

Description	Total Budget	Actual - 31 December 2025	% of Total Budget
Salaries	62 671 716.00	28 765 092.76	46%
Remote Allowance	384 108.00	123 980.26	33%
Annual Bonus	4 055 688.00	1 849 116.70	46%
Allowance - Telephone	87 432.00	49 569.28	57%
Allowance - Vehicle	3 966 456.00	2 537 301.51	64%
Allowance - Acting	360 036.00	1 107 101.85	308%
Subsistence & Travelling Allowance	409 152.00	313 373.91	77%
Housing Subsidy	941 700.00	390 132.99	42%
Overtime	1 830 048.00	2 662 643.98	146%
Stand-by Allowance	342 120.00	565 922.55	166%
Shift Allowance	2 179 344.00	1 203 096.06	56%
Leave paid-out	200 016.00	740 705.43	371%
Long Service Bonus	195 048.00	275 221.37	142%
Industrial Council Levy	28 404.00	17 141.55	61%
Skills Development Levy	66 404.00	30 498.07	46%
Ward Allowances	420 000.00	207 000	50%
Medical Aid Fund	5 857 956.00	949 651.55	17%
Pension Fund	8 915 724.00	3 210 781.96	36%
UIF	421 452.00	246 082.97	59%
Councillor - Allowance	5 257 128.00	1 850 009.18	36%
Councillor - Telephone Allowance	514 800.00	280 800.00	55%
Councillor - Travel Allowance	84 156.00	42 076.62	50%
Councillor – SDL	90 960.00	25 829.80	29%
Councillor – UIF	25 512.00	12 752.64	50%
Councillor - Medical Aid	93 468.00	9 920.40	11%
<b>Totals</b>	<b>99 398 828.00</b>	<b>47 465 803.39</b>	<b>48%</b>

From the above breakdown it can be seen that Mohokare LM is well within its budget in terms of Councillor Allowances and Employee related Benefits. Items that needs proper monitoring is Acting Allowance, Overtime and Standby as these items are already overspent on the budget. All other items will however be re-visited individually during the adjustment budget process in order to ensure accurate budgeting.

The highest contributor to overspending the Acting allowances.

Leave pay out - Mohokare LM had more resignation and retirement than it was anticipated.

Overtime and Stand-by allowances – overtime expenditure is more than budgeted, this could be attributed to uncontrolled overtime hours worked by employees as a result of low staff component in Community and Technical Services.

The total number of staff component as at 31 December 2025 is 260 (i.e. Officials, Section 57, Councillors and Interns).

## 8. Supply Chain Management

To give effect to Section 217 of the Constitution of South Africa (1996) that stipulate:

When an organ of state in the national, provincial or local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is, equitable, transparent, competitive, cost-effective and fair.

Currently the Supply Chain Management Unit is functioning without the SCM Manager, the only senior person in SCM, is the SCM-Accountant that reports directly to the Chief Financial Officer of the institution, Contract management is the responsibility of the Chief Financial Officer who is responsible for the following activities:

- ensuring that all the necessary legal formalities in entering the contract are adhered to
- monitor and assess work done or service provided as per the service delivery agreement/contract
- report on the performance of the service provider
- manage the performance management process
- report on contract management and service provider performance to council quarterly
- report to Council annually on the performance of service providers
- investigate and report on the impact of the interventions on areas of underperformance as part of the quarterly and annually report
- facilitate support interventions to address the underperforming areas

### **List of bids awarded**

- **Re Ya Iketsetsa Service Trading** - SCM/MOH/01/2025– Re-Advert: Appointment of a Contractor: Construction of the Rouxville Sports Ground (Phase 1). R 2 997 256,50 **VAT inclusive**
- **Land Value Specialist** - SCM/MOH/04/2025 – Appointment of a Professional Service Provider for Valuation Roll of the Municipality for a Period of Five Years - R 1 092 347.00 **VAT inclusive**
- **DLN Consulting** - SCM/MOH/05/2025 - Re-advert: Completion of the upgrading of the Smithfield/Mofulatshepe outfall sewer-line – R 27 204 066,91 **VAT inclusive**

### **Irregular, fruitless and wasteful expenditure**

- Irregular expenditure is expenditure that was not incurred in the manner prescribed by legislation.
- Fruitless and wasteful expenditure refers to expenditure that was made in vain and could have been avoided had reasonable care been taken. Such expenditure includes interest and the cost of litigation that could have been avoided.

Irregular Expenditure identified during the period from 01 July 2025 to 31 December 2025, compared to the Irregular Expenditure reported on 31 December 2024.

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<b>Irregular Expenditure</b>	<b>December: 2024</b>	<b>December: 2025</b>
<b>Amounts</b>	<b>R 640 485.75</b>	<b>R 304 979.81</b>

Irregular expenditure to the amount of R 304, 979.81 has been identified during the period 01 July 2025 to 31 December 2025.

The following instance contributes to high irregular expenditure:

- Hiring of official vehicles
- Advertisement of Senior Management positions

The Municipality has implemented several measures to ensure strong controls and prevent irregular expenditure:

- Adopted an SCM Policy based on Section 62 of the MFMA, which requires accounting officers to ensure effective, efficient, and transparent systems of financial, risk management, and internal control.
- Implemented checklists to ensure that procurement processes, especially for goods/services above R2 000.00 adhere to regulations.
- Enforced strict adherence to the approved system of delegations to prevent unauthorized approvals.
- Recorded all irregular expenditure in a UIFW register and reported it to the Council, Mayor, and Provincial Treasury.
- Established the MPAC to investigate all transgressions.

These steps demonstrate the Municipality's commitment to maintaining robust financial controls and ensuring compliance with regulations.

Fruitless and Wasteful Expenditure identified during the period from 01 July 2025 to 31 December 2025, compared to the Irregular Expenditure reported on 31 December 2024.

<b>Fruitless and Wasteful Expenditure</b>	<b>December:2024</b>	<b>December:2025</b>
<b>Amounts</b>	<b>R 481 449.56</b>	<b>R 5 843 081.34</b>

Fruitless and Wasteful expenditure to the amount of R 5 843 081.34 has been identified during the period 01 July 2025 to 31 December 2025. This relates mainly to interest incurred on the late payment of trade creditors and payroll creditors.

The Municipality has incurred a significant increase in the amount of Fruitless and Wasteful Expenditure this is as a result of none or slow payment of the Municipality's top creditors which include Eskom bulk, Sala Pension fund, Auditor General and Eskom.

The Municipality has implemented several measures to ensure strong controls and prevention of Fruitless and Wasteful Expenditure

- Developed a UIFW (Unauthorised, Irregular, Fruitless, and Wasteful Expenditure) reduction strategy
- Conduct thorough annual planning and link it to budgets.

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- Empower Municipal Public Accounts Committees (MPACs) to oversee financial matters.
- Establish clear frameworks for who can authorize spending.

### Deviations

Paragraph 36. (1) of the policy allows the accounting officer to dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only-

- (i) In an emergency;
- (ii) If such goods or services are produced or available from a single provider only;
- (iii) For the acquisition of special works of art or historical objects where specifications are difficult to compile;
- (iv) Acquisition of animals for zoos and/or nature and game reserves; or
- (v) In any other exceptional case where it is impractical or impossible to follow the official procurement processes; and

Deviations identified during the period from 01 July 2025 to 31 December 2025 has increased relative to deviations reported on 31 December 2024.

Deviation	December:2024	December:2025
Amount	R 2 594 874.26	R 3 422 374.95

The Municipality has recorded the deviations amounting to R 3 422 374.95 during the period between 01 July 2025 to 31 December 2025.

The following instances contributed to high deviations:

- Repairs and Maintenance of fleet
- Water treatment chemicals
- Hiring of plant and equipment

The municipality will do the following to prevent the excessive amount of Deviations

- Adhere to normal procurement processes
- Adhere to SCM regulation, policy and other related legislative prescripts
- SCM has developed checklists to ensure that procurement processes, especially for goods/services above R2, 000.00 adhere to regulations

### 9. MSCOA

From 01 July 2017 the Municipality implemented the municipal Standard Chart of Accounts as per National Treasury Regulations.

Initially, there were several obstacles such as the alignment of the old and the new vote structure, however, with assistance from the Service Provider (Munsoft) the Municipality was able to sort out most of the issues but the system is not up to date at current.

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The municipality has not yet integrated its payroll system and assets system into its main financial system in order for those system to comply with mSCOA regulations. A manual salary journal is still used to incorporate payroll information into the ledger.

The finance officials have attended Munsoft modules training between July and December 2025, the training has assisted with capacity building and accurate system functionality.

There were challenges experienced during the year where the financial system was locked due to the outstanding account. This has impacted on daily transacting, billing and financial reporting to the National Treasury.

The Municipality is in the process of establishing MSCOA steering committee which will assist to resolve the Munsoft related issues.

### 10. Audit Action Plan

The Auditor-General South Africa (AGSA) audited Mohokare Local Municipality for 2023/24 financial year; the municipality obtained disclaimer audit opinion. The management report listed a total of 253 audit findings were 136 were matters affecting the audit report and 117 were other important matters. A plan was then drawn by management to address the audit findings as required by the Section 131 (1) of MFMA.

As the Internal Audit Unit of Mohokare Local Municipality, we have conducted a follow-up audit on AGSA findings so as to establish progress made in implementing the management action plan. Therefore, the below table records our independent assessment of progress made to date in implementing AGSA recommendations and/or management action plans to address the issues raised by Auditor-General South Africa during 2023/24 financial year.

Status quo as at 17/12/2025	Total Number of AGSA findings	Percentage per status
<b>Summary of Action Plan Status - 2023/24 Financial Year</b>		
Developed	84	33,2%
Under Development	18	7,1%
Not Yet Started	151	59,7%
Management Approved	0	0%
CFO Approved	78	92,9%
Internal Audit Approved	8	7,1%

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Audit Committee Approved	0	0%
Council Approved	0	0%
<b>Summary of the <i>Implementation Status</i> - 2022/23 financial year</b>		
Not Yet Started	151	59,7%
In Progress	78	30%
Completed	28	10,3%
Findings Addressed	0	0%

### 11. Budget Timeline

#### INTEGRATED DEVELOPMENT PLAN & BUDGET PREPARATIONS PROCESS PROGRAMME FOR IMPLEMENTATION IN 2025/26 FOR MTREF 2026/2027

<u>ACTIVITY No</u>	<u>IDP AND BUDGET ACTIVITY OBJECTIVE</u>	<u>DATE</u>	<u>TIME</u>
1	<b>TABLING OF IDP AND BUDGET TIMELINE AND PROCESS PLAN TO COUNCIL</b> OBJECTIVE: GUIDE PLANNING, DRAFTING, ADOPTION AND REVIEW OF IDP	29 August 2025	-
3	<b>SUBMISSION OF IDP AND BUDGET TIMELINE TO NATIONAL TREASURY, PROVINCIAL TREASURY AND COGTA</b> OBJECTIVE: COMPLIANCE AND MONITORING	01-10 September 2025	-
2	<b>IDP AND BUDGET STEERING COMMITTEE MEETING</b> OBJECTIVE: PROCESS & METHODOLOGY, PREVIOUS YEAR EVALUATION, PROJECTS SCREENING.	14-24 October 2025	10H00
4	<b>COUNCIL STRATEGIC SESSION WITH ADMINISTRATION MUNICIPAL DEPARTMENT'S BILATERAL SESSIONS.</b> OBJECTIVE: IDENTIFICATION OF SERVICE GAPS AND FORMULATION OF DEPARTMENTAL PRIORITIES, OBJECTIVES, STRATEGIES AND PROJECTS.	18-21 November 2025 28 November 2025	-
5	<b>IDP AND BUDGET STEERING COMMITTEE MEETING</b> OBJECTIVE: PROCESS & METHODOLOGY, PREVIOUS YEAR EVALUATION, PROJECTS SCREENING.	04 December 2025	10h00
6	<b>TABLING OF DRAFT ANNUAL AND MID-YEAR REPORT TO COUNCIL FOR APPROVAL</b> OBJECTIVE: ACCOUNTABILITY, TRANSPARENCY, EVALUATION AND IDENTIFICATION OF SERVICES GAPS	January 2026	-
7	<b>IDP AND BUDGET STEERING COMMITTEE MEETING</b> OBJECTIVE: PROCESS & METHODOLOGY, PREVIOUS YEAR EVALUATION, PROJECTS SCREENING.	04 February 2026	10H00
8	<b>AREA LEVEL WARD COMMITTEE CONSULTATION SESSIONS.</b> OBJECTIVE: REVIEW PRIORITIES, RE-PRIORITISATION, VISION AND MISSION, OBJECTIVES, STRATEGIES AND PROJECTS.	10 February 2026 11 February 2026 12 February 2026	10H00
9	<b>IDP AND BUDGET REPRESENTATIVE FORUM MEETING.</b> OBJECTIVE: REVIEW PRIORITIES, RE-PRIORITISATION, VISION AND MISSION, OBJECTIVES, STRATEGIES AND PROJECTS.	17 February 2026 18 February 2026 19 February 2026	10H00
10	<b>IDP AND BUDGET STEERING COMMITTEE MEETING</b> OBJECTIVE: PROCESS & METHODOLOGY, PREVIOUS YEAR EVALUATION, PROJECTS SCREENING.	26 February 2026	10H00
11	<b>MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT VISIT</b> OBJECTIVE ASSESSMENT OF THE MID-YEAR BUDGET AND PERFORMANCE REPORT BY PROVINCIAL TREASURY	February 2026	-
12	<b>ADJUSTMENTS BUDGET AND SDBIP SUBMITTED TO THE MUNICIPAL COUNCIL.</b>	27 February 2026	-

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	OBJECTIVE: ACCOUNTABILITY, ALIGNMENT AND CLEAR PERFORMANCE TARGETS		
13	<b>IDP &amp; BUDGET ROADSHOWS (WARD BASED)</b> OBJECTIVE: ROADSHOWS ENABLE COMMUNITY, STAKEHOLDERS, OTHER GOVERNMENT DEPARTMENTS INPUTS AND COMMENTS	03 - 17 March 2026	16H00
14	<b>IDP AND BUDGET STEERING COMMITTEE MEETING</b> OBJECTIVE: PROCESS & METHODOLOGY, PREVIOUS YEAR EVALUATION, PROJECTS SCREENING.	24 March 2026	10H00
15	<b>TABLING OF THE 1<sup>ST</sup> DRAFT OF IDP AND BUDGET TO COUNCIL:</b> OBJECTIVE: ADOPTION TO ENABLE COMMUNITY AND STAKEHOLDER INPUTS AND COMMENTS	31 March 2026	10H00
16	<b>PUBLICATION / ADVERTISEMENT OF DRAFT IDP AND BUDGET DOCUMENTS.</b> OBJECTIVE: RECEIVE COMMENTS FROM COMMUNITY, STAKEHOLDERS AND ROLE PLAYERS.	April 2026	-
17	<b>IDP AND BUDGET STEERING COMMITTEE MEETING</b> OBJECTIVE: PROCESS & METHODOLOGY, PREVIOUS YEAR EVALUATION, PROJECTS SCREENING.	29 April 2026	10H00
18	<b>IDP AND BUDGET BILATERALS (ASSESSMENTS)</b> OBJECTIVE: ASSESSMENT OF THE DRAFT IDP BY PROVINCIAL DEPARTMENTS	April – May 2026	-
19	<b>TABLING OF FINAL IDP AND BUDGET DOCUMENTS WITH RELATED POLICIES AND SECTOR PLANS TO COUNCIL.</b> OBJECTIVE: FINAL ADOPTION OF THE REVIEWED IDP AND THE BUDGET DOCUMENT FOR THE STRATEGIC PERIOD OF 2026/2027	29 May 2026	-
20	<b>TABLING OF THE SDBIP TO COUNCIL FOR APPROVAL</b> OBJECTIVE: ACCOUNTABILITY, ALIGNMENT AND CLEAR PERFORMANCE TARGETS	June 2026	

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## FS163 Mohokare - Table C1 Monthly Budget Statements

FS163 Mohokare - Table C1 Monthly Budget Statement Summary - M03 - September									
Description	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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	15 036	18 239	-	502	7 856	4 560	3 296	72%	18 239
Service charges	83 705	89 716	-	(1 537)	11 537	22 429	(10 892)	-49%	89 716
Investment revenue	181	100	-	42	67	25	42	168%	100
Transfers and subsidies - Operational	103 287	105 636	-	31 541	31 541	26 409	5 132	19%	105 636
Other own revenue	49 295	46 241	-	4 496	13 152	11 560	1 592	14%	46 241
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>251 505</b>	<b>259 933</b>	<b>-</b>	<b>35 045</b>	<b>64 152</b>	<b>64 983</b>	<b>(831)</b>	<b>-1%</b>	<b>259 933</b>
Employee costs	99 255	94 705	-	8 077	26 649	23 676	2 973	13%	94 705
Remuneration of Councillors	5 583	5 975	-	455	1 364	1 494	(130)	-9%	5 975
Depreciation and amortisation	21 485	24 988	-	-	-	6 247	(6 247)	-100%	24 988
Interest	13 109	15 000	-	882	1 875	3 750	(1 875)	-50%	15 000
Inventory consumed and bulk purchases	57 601	63 020	-	4 064	12 185	15 755	(3 570)	-23%	63 020
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	60 549	52 315	-	770	4 725	13 079	(8 354)	-64%	52 315
<b>Total Expenditure</b>	<b>257 582</b>	<b>256 003</b>	<b>-</b>	<b>14 249</b>	<b>46 798</b>	<b>64 001</b>	<b>(17 203)</b>	<b>-27%</b>	<b>256 003</b>
<b>Surplus/(Deficit)</b>	<b>(6 077)</b>	<b>3 930</b>	<b>-</b>	<b>20 796</b>	<b>17 354</b>	<b>983</b>	<b>16 372</b>	<b>1666%</b>	<b>3 930</b>
Transfers and subsidies - capital (monetary allocations)	18 906	48 865	-	1 200	1 200	12 216	(11 016)	-90%	48 865
Transfers and subsidies - capital (in-kind)	3 551	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp;</b>	<b>16 380</b>	<b>52 795</b>	<b>-</b>	<b>21 996</b>	<b>18 554</b>	<b>13 199</b>	<b>5 355</b>	<b>41%</b>	<b>52 795</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>16 380</b>	<b>52 795</b>	<b>-</b>	<b>21 996</b>	<b>18 554</b>	<b>13 199</b>	<b>5 355</b>	<b>41%</b>	<b>52 795</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>7 870</b>	<b>48 222</b>	<b>-</b>	<b>-</b>	<b>405</b>	<b>12 055</b>	<b>(11 651)</b>	<b>-97%</b>	<b>48 222</b>
Capital transfers recognised	1 907	47 722	-	-	356	11 930	(11 574)	-97%	47 722
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	2 409	500	-	-	49	125	(76)	-61%	500
<b>Total sources of capital funds</b>	<b>4 316</b>	<b>48 222</b>	<b>-</b>	<b>-</b>	<b>405</b>	<b>12 055</b>	<b>(11 651)</b>	<b>-97%</b>	<b>48 222</b>
<b>Financial position</b>									
Total current assets	220 590	134 949	-	-	267 023				134 949
Total non current assets	710 235	732 702	-	-	710 640				732 702
Total current liabilities	397 456	314 037	-	-	425 739				314 037
Total non current liabilities	200 892	181 080	-	-	200 892				181 080
Community wealth/Equity	307 191	372 533	-	-	351 031				372 533
<b>Cash flows</b>									
Net cash from (used) operating	111 054	(1 376)	-	34 975	24 954	(344)	(25 298)	7355%	(1 376)
Net cash from (used) investing	18 217	(48 222)	-	(410)	(4 230)	(12 055)	(7 826)	65%	(48 222)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the month/year end</b>	<b>131 350</b>	<b>(15 524)</b>	<b>-</b>	<b>-</b>	<b>22 786</b>	<b>21 674</b>	<b>(1 112)</b>	<b>-5%</b>	<b>(47 536)</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	-	-	-	-	-	-	-	-	-
<b>Creditors Age Analysis</b>									
Total Creditors	-	-	-	-	-	-	-	-	-

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## FS163 Mohokare - Table C2 Monthly Budget Statement - Financial Performance (functional classification)

FS163 Mohokare - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 - September										
Description	Ref	Budget Year 2025/26								
		2024/25 Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		118 841	125 662	-	27 081	42 942	31 416	11 526	37%	125 662
Executive and council		3 185	3 315	-	3 315	3 315	829	2 486	300%	3 315
Finance and administration		115 656	122 347	-	23 766	39 627	30 587	9 040	30%	122 347
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		2 457	5 939	-	90	263	1 485	(1 221)	-82%	5 939
Community and social services		62	120	-	6	22	30	(8)	-28%	120
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		163	5 000	-	-	-	1 250	(1 250)	-100%	5 000
Housing		2 232	819	-	83	242	205	37	18%	819
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		17 941	22 870	-	-	-	5 718	(5 718)	-100%	22 870
Planning and development		924	5	-	-	-	1	(1)	-100%	5
Road transport		17 017	22 865	-	-	-	5 716	(5 716)	-100%	22 865
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		134 724	154 327	-	9 074	22 147	38 582	(16 434)	-43%	154 327
Energy sources		39 035	50 520	-	3 805	5 965	12 630	(6 665)	-53%	50 520
Water management		74 252	67 673	-	412	7 178	16 918	(9 741)	-58%	67 673
Waste water management		13 125	21 605	-	2 681	5 260	5 401	(141)	-3%	21 605
Waste management		8 312	14 529	-	2 176	3 745	3 632	113	3%	14 529
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	273 962	308 798	-	36 245	65 352	77 200	(11 847)	-15%	308 798
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		137 150	107 095	-	4 620	16 439	26 774	(10 335)	-39%	107 095
Executive and council		12 556	14 070	-	762	2 656	3 517	(862)	-25%	14 070
Finance and administration		123 013	91 463	-	3 790	13 552	22 866	(9 314)	-41%	91 463
Internal audit		1 581	1 562	-	67	231	390	(159)	-41%	1 562
<i>Community and public safety</i>		13 814	15 072	-	1 227	3 973	3 768	205	5%	15 072
Community and social services		8 423	9 364	-	798	2 390	2 341	49	2%	9 364
Sport and recreation		526	565	-	41	145	141	3	2%	565
Public safety		3 567	3 780	-	286	1 082	945	137	14%	3 780
Housing		1 298	1 363	-	103	357	341	17	5%	1 363
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		13 125	15 085	-	1 181	3 599	3 771	(172)	-5%	15 085
Planning and development		8 986	8 579	-	751	2 378	2 145	233	11%	8 579
Road transport		4 138	6 506	-	431	1 222	1 627	(405)	-25%	6 506
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		93 493	118 751	-	7 220	22 786	29 688	(6 902)	-23%	118 751
Energy sources		54 214	56 261	-	3 750	10 467	14 065	(3 598)	-26%	56 261
Water management		22 696	39 127	-	2 113	7 711	9 782	(2 071)	-21%	39 127
Waste water management		10 171	13 973	-	745	2 569	3 493	(924)	-26%	13 973
Waste management		6 412	9 390	-	612	2 040	2 348	(308)	-13%	9 390
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	257 582	256 003	-	14 249	46 798	64 001	(17 203)	-27%	256 003
<b>Surplus/ (Deficit) for the year</b>		16 380	52 795	-	21 996	18 554	13 199	5 355	41%	52 795

**FS163 Mohokare - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote)**

FS163 Mohokare - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 - September										
Vote Description	Ref	2024/25			Budget Year 2025/26					
		Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - EXECUTIVE & COUNCIL		3 187	3 320	-	3 315	3 315	830	2 485	299.4%	3 320
Vote 2 - FINANCE		115 656	122 347	-	23 766	39 627	30 587	9 040	29.6%	122 347
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY SERVICES		10 768	20 468	-	2 266	4 009	5 117	(1 108)	-21.7%	20 468
Vote 5 - TECHNICAL SERVICES		144 351	162 663	-	6 898	18 402	40 666	(22 264)	-54.7%	162 663
Vote 6 -		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>273 962</b>	<b>308 798</b>	<b>-</b>	<b>36 245</b>	<b>65 352</b>	<b>77 200</b>	<b>(11 847)</b>	<b>-15.3%</b>	<b>308 798</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - EXECUTIVE & COUNCIL		20 625	22 720	-	1 376	4 638	5 680	(1 042)	-18.4%	22 720
Vote 2 - FINANCE		105 178	73 585	-	2 452	9 668	18 396	(8 728)	-47.4%	73 585
Vote 3 - CORPORATE SERVICES		17 823	17 858	-	1 337	3 883	4 465	(582)	-13.0%	17 858
Vote 4 - COMMUNITY SERVICES		20 226	24 462	-	1 840	6 013	6 116	(102)	-1.7%	24 462
Vote 5 - TECHNICAL SERVICES		93 730	117 377	-	7 244	22 596	29 344	(6 748)	-23.0%	117 377
Vote 6 -		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>257 582</b>	<b>256 003</b>	<b>-</b>	<b>14 249</b>	<b>46 798</b>	<b>64 001</b>	<b>(17 203)</b>	<b>-26.9%</b>	<b>256 003</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>16 380</b>	<b>52 795</b>	<b>-</b>	<b>21 996</b>	<b>18 554</b>	<b>13 199</b>	<b>5 355</b>	<b>40.6%</b>	<b>52 795</b>

## FS163 Mohokare - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure)

FS163 Mohokare - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 - September										
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
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		34 126	39 880	--	(2 034)	125	9 970	(9 845)	-99%	39 880
Service charges - Water		30 792	28 885	--	(1 577)	5 189	7 221	(2 032)	-28%	28 885
Service charges - Waste Water Management		11 800	12 614	--	1 290	3 869	3 153	715	23%	12 614
Service charges - Waste management		6 987	8 337	--	785	2 354	2 084	270	13%	8 337
Sale of Goods and Rendering of Services		237	201	--	52	103	50	53	105%	201
Agency services		--	--	--	--	--	--	--	--	--
Interest		--	--	--	--	--	--	--	--	--
Interest earned from Receivables		41 392	29 200	--	--	--	7 300	(7 300)	-100%	29 200
Interest from Current and Non Current Assets		181	100	--	42	67	25	42	168%	100
Dividends		24	20	--	--	--	5	(5)	-100%	20
Rent on Land		--	--	--	--	--	--	--	--	--
Rental from Fixed Assets		2 253	869	--	79	240	217	23	10%	869
Licence and permits		--	--	--	--	--	--	--	--	--
Special Rating Levies		--	--	--	--	--	--	--	--	--
Operational Revenue		71	152	--	5	15	38	(23)	-61%	152
<b>Non-Exchange Revenue</b>										
Property rates		15 036	18 239	--	502	7 856	4 560	3 296	72%	18 239
Surcharges and Taxes		--	--	--	--	--	--	--	--	--
Fines, penalties and forfeits		163	5 000	--	--	--	1 250	(1 250)	-100%	5 000
Licence and permits		--	--	--	5	5	--	5	#DIV/0!	--
Transfers and subsidies - Operational		103 287	105 636	--	31 541	31 541	26 409	5 132	19%	105 636
Interest		4 820	10 800	--	4 355	12 789	2 700	10 089	374%	10 800
Fuel Levy		--	--	--	--	--	--	--	--	--
Operational Revenue		--	--	--	--	--	--	--	--	--
Gains on disposal of Assets		--	--	--	--	--	--	--	--	--
Other Gains		335	--	--	--	--	--	--	--	--
Discontinued Operations		--	--	--	--	--	--	--	--	--
<b>Total Revenue (excluding capital transfers and</b>		<b>251 505</b>	<b>259 933</b>	<b>--</b>	<b>35 045</b>	<b>64 152</b>	<b>64 983</b>	<b>(831)</b>	<b>-1%</b>	<b>259 933</b>
<b>Expenditure By Type</b>										
Employee related costs		99 255	94 705	--	8 077	26 649	23 676	2 973	13%	94 705
Remuneration of councillors		5 583	5 975	--	455	1 364	1 494	(130)	-9%	5 975
Bulk purchases - electricity		51 726	54 000	--	3 546	9 749	13 500	(3 751)	-28%	54 000
Inventory consumed		5 875	9 020	--	518	2 435	2 255	180	8%	9 020
Debt impairment		--	25 086	--	--	--	6 271	(6 271)	-100%	25 086
Depreciation and amortisation		21 485	24 988	--	--	--	6 247	(6 247)	-100%	24 988
Interest		13 109	15 000	--	882	1 875	3 750	(1 875)	-50%	15 000
Contracted services		10 776	9 000	--	371	4 439	2 250	2 188	97%	9 000
Transfers and subsidies		--	--	--	--	--	--	--	--	--
Irrecoverable debts written off		32 823	--	--	(618)	(1 854)	--	(1 854)	#DIV/0!	--
Operational costs		16 825	17 630	--	1 017	2 141	4 407	(2 266)	-51%	17 630
Losses on Disposal of Assets		--	--	--	--	--	--	--	--	--
Other Losses		125	600	--	--	--	150	(150)	-100%	600
<b>Total Expenditure</b>		<b>257 582</b>	<b>256 003</b>	<b>--</b>	<b>14 249</b>	<b>46 798</b>	<b>64 001</b>	<b>(17 203)</b>	<b>-27%</b>	<b>256 003</b>
<b>Surplus/(Deficit)</b>		<b>(6 077)</b>	<b>3 930</b>	<b>--</b>	<b>20 796</b>	<b>17 354</b>	<b>983</b>	<b>16 372</b>	<b>1666%</b>	<b>3 930</b>
Transfers and subsidies - capital (monetary allocations)		18 906	48 865	--	1 200	1 200	12 216	(11 016)	-90%	48 865
Transfers and subsidies - capital (in-kind)		3 551	--	--	--	--	--	--	--	--
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>16 380</b>	<b>52 795</b>	<b>--</b>	<b>21 996</b>	<b>18 554</b>	<b>13 199</b>			<b>52 795</b>
Income Tax		--	--	--	--	--	--	--	--	--
<b>Surplus/(Deficit) after income tax</b>		<b>16 380</b>	<b>52 795</b>	<b>--</b>	<b>21 996</b>	<b>18 554</b>	<b>13 199</b>			<b>52 795</b>
Share of Surplus/Deficit attributable to Joint Venture		--	--	--	--	--	--	--	--	--
Share of Surplus/Deficit attributable to Minorities		--	--	--	--	--	--	--	--	--
<b>Surplus/(Deficit) attributable to municipality</b>		<b>16 380</b>	<b>52 795</b>	<b>--</b>	<b>21 996</b>	<b>18 554</b>	<b>13 199</b>			<b>52 795</b>
Share of Surplus/Deficit attributable to Associate		--	--	--	--	--	--	--	--	--
Intercompany/Parent subsidiary transactions		--	--	--	--	--	--	--	--	--
<b>Surplus/ (Deficit) for the year</b>		<b>16 380</b>	<b>52 795</b>	<b>--</b>	<b>21 996</b>	<b>18 554</b>	<b>13 199</b>			<b>52 795</b>

## FS163 Mohokare - Table C5 Monthly Budget Statement - Capital Expenditure

FS163 Mohokare - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 - September

Vote Description	Ref	2024/25			Budget Year 2025/26					
		Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - FINANCE		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 -		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - FINANCE		583	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		1 017	250	-	-	49	63	(14)	-22%	250
Vote 4 - COMMUNITY SERVICES		10	1 501	-	-	-	375	(375)	-100%	1 501
Vote 5 - TECHNICAL SERVICES		6 260	46 471	-	-	356	11 618	(11 262)	-97%	46 471
Vote 6 -		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	7 870	48 222	-	-	405	12 055	(11 651)	-97%	48 222
<b>Total Capital Expenditure</b>		7 870	48 222	-	-	405	12 055	(11 651)	-97%	48 222
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		1 600	250	-	-	49	63	(14)	-22%	250
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		1 600	250	-	-	49	63	(14)	-22%	250
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		10	1 501	-	-	-	375	(375)	-100%	1 501
Community and social services		10	-	-	-	-	-	-	-	-
Sport and recreation		-	1 501	-	-	-	375	(375)	-100%	1 501
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		(7 159)	11 760	-	-	-	2 940	(2 940)	-100%	11 760
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		(7 159)	11 760	-	-	-	2 940	(2 940)	-100%	11 760
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		13 419	34 712	-	-	356	8 678	(8 322)	-96%	34 712
Energy sources		-	8 994	-	-	-	2 248	(2 248)	-100%	8 994
Water management		4 965	5 250	-	-	-	1 313	(1 313)	-100%	5 250
Waste water management		8 464	20 468	-	-	356	5 117	(4 761)	-93%	20 468
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	7 870	48 222	-	-	405	12 055	(11 651)	-97%	48 222
<b>Funded by:</b>										
National Government		1 907	47 722	-	-	356	11 930	(11 574)	-97%	47 722
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies)		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		1 907	47 722	-	-	356	11 930	(11 574)	-97%	47 722
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		2 409	500	-	-	49	125	(76)	-61%	500
<b>Total Capital Funding</b>		4 316	48 222	-	-	405	12 055	(11 651)	-97%	48 222

FS163 Mohokare - Table C6 Monthly Budget Statement - Financial Position

FS163 Mohokare - Table C6 Monthly Budget Statement - Financial Position - M03 - September						
Description	Ref	2024/25	Budget Year 2025/26			Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		2 062	25 248	–	10 844	25 248
Trade and other receivables from exchange transactions		146 241	91 809	–	173 369	91 809
Receivables from non-exchange transactions		10 575	2 217	–	18 806	2 217
Current portion of non-current receivables		–	–	–	–	–
Inventory		2 196	3 119	–	2 196	3 119
VAT		59 369	12 006	–	61 660	12 006
Other current assets		148	551	–	148	551
<b>Total current assets</b>		<b>220 590</b>	<b>134 949</b>	<b>–</b>	<b>267 023</b>	<b>134 949</b>
<b>Non current assets</b>						
Investments		676	–	–	676	–
Investment property		52 570	52 309	–	86 046	52 309
Property, plant and equipment		656 904	680 182	–	623 832	680 182
Biological assets		86	211	–	86	211
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		–	–	–	–	–
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
<b>Total non current assets</b>		<b>710 235</b>	<b>732 702</b>	<b>–</b>	<b>710 640</b>	<b>732 702</b>
<b>TOTAL ASSETS</b>		<b>930 825</b>	<b>867 651</b>	<b>–</b>	<b>977 663</b>	<b>867 651</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Financial liabilities		(299)	–	–	(299)	–
Consumer deposits		379	370	–	389	370
Trade and other payables from exchange transactions		322 028	267 843	–	340 375	267 843
Trade and other payables from non-exchange transactions		8 455	45 136	–	16 599	45 136
Provision		24 754	688	–	24 754	688
VAT		42 140	–	–	43 922	–
Other current liabilities		–	–	–	–	–
<b>Total current liabilities</b>		<b>397 456</b>	<b>314 037</b>	<b>–</b>	<b>425 739</b>	<b>314 037</b>
<b>Non current liabilities</b>						
Financial liabilities		156 466	81 637	–	156 466	81 637
Provision		24 868	78 613	–	24 868	78 613
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		19 558	20 830	–	19 558	20 830
<b>Total non current liabilities</b>		<b>200 892</b>	<b>181 080</b>	<b>–</b>	<b>200 892</b>	<b>181 080</b>
<b>TOTAL LIABILITIES</b>		<b>598 348</b>	<b>495 118</b>	<b>–</b>	<b>626 632</b>	<b>495 118</b>
<b>NET ASSETS</b>	2	<b>332 477</b>	<b>372 533</b>	<b>–</b>	<b>351 031</b>	<b>372 533</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		315 419	372 533	–	359 259	372 533
Reserves and funds		(8 228)	–	–	(8 228)	–
Other		–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>307 191</b>	<b>372 533</b>	<b>–</b>	<b>351 031</b>	<b>372 533</b>

## FS163 Mohokare - Table C7 Monthly Budget Statement - Cash Flow

FS163 Mohokare - Table C7 Monthly Budget Statement - Cash Flow - M03 - September										
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
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		5 428	25 722	-	963	2 107	6 431	(4 323)	-67%	25 722
Service charges		26 694	66 480	-	(1 742)	2 285	16 620	(14 335)	-86%	66 480
Other revenue		5 989	5 353	-	142	7	1 338	(1 332)	-99%	5 353
Transfers and Subsidies - Operational		86 155	105 636	-	34 541	34 541	26 409	8 132	31%	105 636
Transfers and Subsidies - Capital		26 399	48 865	-	6 344	6 344	12 216	(5 872)	-48%	48 865
Interest		167	100	-	40	65	25	40	162%	100
Dividends		-	20	-	-	-	5	(5)	-100%	20
<b>Payments</b>										
Suppliers and employees		(39 762)	(238 552)	-	(5 313)	(20 396)	(59 638)	39 242	-66%	(238 552)
Interest		-	(15 000)	-	-	-	(3 750)	3 750	-100%	(15 000)
Transfers and Subsidies		(16)	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>111 054</b>	<b>(1 376)</b>	<b>-</b>	<b>34 975</b>	<b>24 954</b>	<b>(344)</b>	<b>(25 298)</b>	<b>7355%</b>	<b>(1 376)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		75	-	-	-	-	-	-	-	-
<b>Payments</b>										
Capital assets		18 142	(48 222)	-	(410)	(4 230)	(12 055)	7 826	-65%	(48 222)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>18 217</b>	<b>(48 222)</b>	<b>-</b>	<b>(410)</b>	<b>(4 230)</b>	<b>(12 055)</b>	<b>(7 826)</b>	<b>65%</b>	<b>(48 222)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>129 271</b>	<b>(49 598)</b>	<b>-</b>	<b>34 566</b>	<b>20 724</b>	<b>(12 399)</b>			<b>(49 598)</b>
Cash/cash equivalents at beginning:		2 079	34 074	-	-	2 062	34 074			2 062
Cash/cash equivalents at month/year end:		131 350	(15 524)	-	-	22 786	21 674			(47 536)

## Mid-Year Budget and Performance Report 2025/2026 FY

### 3 | SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2025/2026

The significance of the Mid-Term Performance Report is to provide the institution with an opportunity to identify the areas of good performance and areas that need attention, deploying proper strategies and mechanisms to advance performance and improve service delivery. The report is based on the five (5) Key Performance Areas (KPA) and the strategic objectives of the municipality.

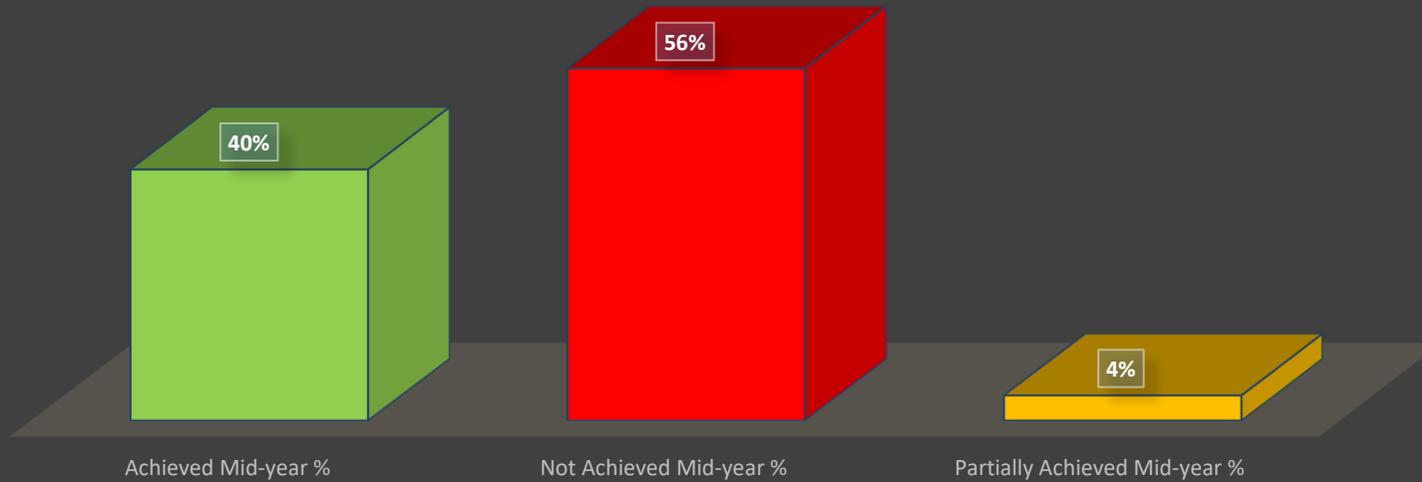
KEY PERFORMANCE AREAS	Planned		Achieved		Not Achieved		Partially Achieved – Q2
	Quarter 1	Quarter 2	Quarter 1	Quarter 2	Quarter 1	Quarter 2	
<i>KPA 1: Putting People First</i>	2	1	0	0	2	1	0
<i>KPA 2 : Good Governance</i>	14	11	10	6	4	3	2
<i>KPA 3 : Basic Services Delivery (Delivering Basic Services)</i>	7	7	2	1	5	6	0
<i>KPA 4: Financial Viability and Management (Sound Financial Management)</i>	6	6	2	0	4	6	0
<i>KPA 5: Institutional Development and Transformation (Building Capable Municipalities)</i>	3	3	1	0	2	3	0
<i>KPA 6: Local Economic Development</i>	5	5	3	3	2	2	0
<b>Total</b>	<b>37</b>	<b>33</b>	<b>18</b>	<b>10</b>	<b>19</b>	<b>20</b>	<b>2</b>

## Mid-Year Budget and Performance Report 2025/2026 FY

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KEY PERFORMANCE AREAS	Planned		Achieved		Not Achieved		Partially Achieved – Q2
	Quarter 1	Quarter 2	Quarter 1	Quarter 2	Quarter 1	Quarter 2	
			49%	30%	51%	61%	5%
Mid-term overall performance	70		28		39		2
Mid-term overall percentage			40%		56%		4%

## OVERALL MID TERM PERFORMANCE PERCENTAGE



## SUMMARY OF SHORTCOMINGS IDENTIFIED DURING THE FIRST and SECOND QUARTER PER KPA

### **KPA 1: Putting People First**

- Two (2) Key performance indicators not reported on.

### **KPA 2: *Good Governance***

- Ordinary Council meeting did not convene as legislated during the quarter review;
- Active suspensions were not resolved within 3 months; and
- Section 52(d) reports not submitted and tabled to Council relating to the implementation of the budget and other financial

### **KPA 3: *Basic Services Delivery (Delivering Basic Services)***

- 75% of water callouts not responded to within 48 hours due to unavailability of materials to do repairs;
- 72% of sanitation/wastewater callouts not responded to within 48 hours due to shortage of transportation;
- 0% potholes not resolved within the standard municipal response time as the municipality does not have a complaints register; and
- Non-compliance to SANS 241 (drinking water) due to financial constraints;
- No evidence provided that MIG and other conditional grants reports were submitted to Council.

### **KPA 4: *Financial Viability and Management (Sound Financial Management)***

- Two (8) Key performance indicators not reported on;
- Creditors not paid within 30 days due to municipal financial constraints - Non-compliance to section 65(2)(e) of MFMA; and
- Collection rate ratio at 70% not achieved due to delays in the billing system caused by industrial strikes– Non-compliance to section 64(2)(a) of MFMA

### **KPA 5: *Institutional Development and Transformation***

- Municipal Performance Assessment Tool(MPAT) not submitted to DCoG;
- MFMA Circular 88 not submitted to CoGTA during the second quarter and
- State of Local Government(SoLG) Report was not tabled to Council as it was deferred back.

### **KPA 6: *Local Economic Development***

- Adherence to SCM processes to determine the number of days taken from advertisement to appointment letter for 80/20 could not be established.

## Mid-Year Budget and Performance Report 2025/2026 FY

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**Despite, the above challenges that the municipality experienced during both quarters under review, Mohokare Local Municipality was able to achieve the following milestones:**

- Adherence to Section 126 and 127 of MFMA – Submission of the Annual Financial Statements and Annual Performance Report on the 31st August 2025;
- Adherence to Section 56 and 57 of MSA – Performance Agreements for the Municipal Manager and managers who report directly to the MM were signed accordingly;
- Oversight committees convened as legislated;
  - EXCO and its portfolio committees
  - MPAC
  - PAC
  - Risk Committee(1<sup>st</sup> quarter only)
- IDP process plan was adopted accordingly by Council;
- 100% of electricity outages restored within standard timeframe;
- 79 work opportunities created through EPWP; and
- 19 SMMEs issued with business licences.

# Mid-Year Budget and Performance Report 2025/2026 FY

## KPA 1: Public Participation (Putting People First)

Public Participation (Putting People First)															
KPI No. & Unit of Measurement (Number/ Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Ward s	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
<b>GG2.12</b> 1. <b>Percentage (%)</b> of Ward Councillor community meetings held/ convened per quarter.	To <b>hold/ convene</b> Ward Councillor community meetings.	Report <b>developed</b> on Ward Councillor community meetings being held/ convened.	Output	-	<b>100%</b> (7 WCMs X 4 X 5 = <b>108</b> )	<b>100%</b> (7 WCMs X 4 = <b>28</b> )	<b>100%</b> (7 WCMs x1 = 7)	<b>100%</b> (7 WCMs x1 = 7)	<b>Target not reported on</b>				All	Council	❖ Invitation(s)/ notice(s) ❖ Attendance register(s) ❖ Minutes/ Reports
<b>GG2.31</b> 2. <b>Percentage (%)</b> of official complaints responded to through the municipal complaint management system.	To <b>respond</b> to community complaints. ❖ <i>Queries and Problems.</i>	Report <b>developed</b> on community complaints' responses.	output	0 (New)	<b>100%</b>	<b>100%</b>	<b>100%</b>	-	<b>Target not reported on</b>				Council	❖ Report(s) • <i>Complaints register(s)</i> • <i>Complaints response letters</i>	❖

# Mid-Year Budget and Performance Report 2025/2026 FY

## KPA 2: Good Governance

Good Governance															
KPI No. & Unit of Measurement (Number/ Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
<b>C22</b> 1. Number of Council meetings held/ convened per quarter.	To hold/ convene Council meetings.	Report developed on Council holding/ convening meetings.	Output	4	20 (4 CMs x 1 x 5 = 20)	4 (1 CMs x 4 = 4)	1 (1 CMs x 1 = 1)	1 (1 CMs x 1 = 1)	Achieved <b>1 Council</b>	Postponement of the Council meeting	Council meetings to be held as per the approved schedule	<b>Partially Achieved</b>	All	Council	❖ Notice(s) ❖ Attendance register(s) ❖ Minutes
<b>C2</b> 2. Number of Executive Committee (EXCO) meetings held/ convened per quarter.	To hold/ convene EXCO meetings.	Report developed on EXCO holding/ convening meetings.	Output	4	20 (4 EXCO x 1 x 5 = 20)	4 (1 EXCO x 4 = 4)	1 (1 EXCO x 1 = 1)	1 (1 EXCO x 1 = 1)	100%	None	None	<b>Target Achieved</b>	All	Council	❖ Notice(s) ❖ Attendance register(s) ❖ Minutes

## Mid-Year Budget and Performance Report 2025/2026 FY

Good Governance															
KPI No. & Unit of Measurement (Number/ Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
<b>C3</b> 3. Number of Council portfolio committee (MSA s79) meetings held/ convened per quarter.	To hold/ convene Council portfolio committee meetings.	Report developed on Council portfolio committees holding/ convening meetings.	Output	4	<b>80</b> (4 CPCs x 4 x 5 = 80)	<b>16</b> (4 CPCs x 4 = 16)	4 (4 CPCs x 1 = 4)	4 (4 CPCs x 1 = 4)	Not Achieved	Unavailability of Councillors	Meeting scheduled for the next quarter	<b>Not Achieved</b>	All	Council	❖ Notice(s) ❖ Attendance register(s) ❖ Minutes
4. Number of EXCO portfolio committee (MSA s80) meetings held/ convened per quarter.	To hold/ convene EXCO portfolio committee meetings.	Report developed on EXCO portfolio committees holding/ convening meetings.	Output	4	<b>80</b> (4 EPCs x 4 x 5 = 80)	<b>16</b> (4 EPCs x 4 = 16)	4 (4 EPCs x 1 = 4)	4 (4 EPCs x 1 = 4)	100%	None	None	<b>Target Achieved</b>	All	Council	❖ Notice(s) ❖ Attendance register(s) ❖ Minutes

## Mid-Year Budget and Performance Report 2025/2026 FY

Good Governance															
KPI No. & Unit of Measurement (Number/ Percentage)	Pre-determined Objectives (Desired Performance )	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Ward s	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
<p><b>C11 + C12</b></p> <p><b>5. Number</b> of litigation cases the municipality is currently involved in.</p> <p>❖ (C11) <b>Number</b> of litigation cases instituted <b>by</b> the municipality .</p> <p>❖ (C12) <b>Number</b> of litigation cases instituted <b>against</b> the municipality .</p>	<p>To <b>report</b> on litigation cases instituted <b>by</b> and <b>against</b> the municipality.</p>	<p>Report <b>developed</b> on litigation cases instituted <b>by</b> and <b>against</b> the municipality.</p>	<p>Output</p>	<p>0 <b>(New)</b></p>	<p>20 (1 LCR x 4 x 5 = 20)</p>	<p>4 (1 LGR x 4 = 4)</p>	<p>1 (1 LCR x1 = 1)</p>	<p>1 (1 LCR x1 = 1)</p>	<p>2</p>	<p>None</p>	<p>None</p>	<p><b>Target Achieved</b></p>	<p>All</p>	<p>Council</p>	<p>❖ Report(s)</p>

## Mid-Year Budget and Performance Report 2025/2026 FY

Good Governance															
KPI No. & Unit of Measurement (Number/ Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
<b>C4</b> <b>6.</b> Number of Municipal Public Accounts Committee (MPAC) meetings held/ convened per quarter.	To hold/ convene MPAC meetings.	Report developed on MPAC holding/ convening meetings.	Output	4	<b>20</b> (1 MPAC x 4 X 5 = 20)	<b>4</b> (1 MPAC x 4 = 4)	<b>1</b> (1 MPAC x 1 = 1)	<b>1</b> (1 MPAC x 1 = 1)	100%	None	None	<b>Target Achieved</b>	All	Council	❖ Notice(s) ❖ Attendance register(s) ❖ Minutes
<b>7.</b> Number of Municipal Performance Audit Committee (PAC) meetings held/ convened per quarter.	To hold/ convene PAC meetings.	Report developed on PAC holding/ convening meetings.	Output	4	<b>20</b> (1 PAC x 4 X 5 = 20)	<b>4</b> (1 PAC x 4 = 4)	<b>1</b> (1 PAC x 1 = 1)	<b>1</b> (1 PAC x 1 = 1)	1	None	None	<b>Target Achieved</b>	All	Council	❖ Notice(s) ❖ Attendance register(s) ❖ Minutes

## Mid-Year Budget and Performance Report 2025/2026 FY

Good Governance															
KPI No. & Unit of Measurement (Number/ Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
<b>8.</b> Number of Municipal Risk Committee (MRC) meetings held/ convened per quarter.	To hold/ convene MRC meetings.	Report developed on MRC holding/ convening meetings.	Output	4	20 (1 MRC x 4 X 5 = 20)	4 (1 MRC x 4 = 4)	1 (1 MRC x1 = 1)	1 (1 MRC x1 = 1)	Quarter 1 - 1 MRC  Quarter 2 - RMC did not convene	RMC did not convene	Meeting scheduled for the next quarter	Partially Achieved	All	Council	❖ Notice(s) ❖ Attendance register(s) ❖ Minutes
<b>GG5.11</b> 9. Number of active suspensions longer than three months.	To report suspensions longer than three months.	Report developed on active suspensions longer than three months.	Output	0 (New)	20 (1 ASR x 4 x 5 = 20)	4 (1 ASR x 4 = 4)	1 (1 ASR x1 = 1)	1 (1 ASR x1 = 1)	1	Case not yet concluded	Unavailability of the employee representative	Target not reported on	All	Council	❖ Report(s)
<b>GG3.11</b> 10. Number of repeat audit findings (all departments).	To report on repeat audit findings addressed.	Report developed on repeat audit findings addressed.	Output	0 (New)	20 (1 RAFR x 4 x 5 = 20)	4 (1 RAFR x 4 = 4)	1 (1 RAFR x1 = 1)	1 (1 RAFR x1 = 1)	2	-	-	Target Achieved  Progress on the audit action plan is ongoing.	All	Council	❖ Report(s)

## Mid-Year Budget and Performance Report 2025/2026 FY

Good Governance															
KPI No. & Unit of Measurement (Number/ Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
11. Number of MFMA section 52(d) quarterly performance reports on implementation of the budget and the financial situation of the municipality submitted in Council.	To submit quarterly performance reports.	Report developed on Quarterly performance reports submitted.	Output	4	20 (4 QPRs x 1 x 5 = 20)	4 (1 QPRs x 4 = 4)	1 (1 QPRs x 1 = 1)	1 (1 QPRs x 1 = 1)	0%	Postponement of the Council meeting	Meetings to be held as per the approved schedule	<b>Not Achieved</b>  <b>Target not reported on</b>	All	Council	❖ Report(s) ❖ Minutes
12. Number of Systems Act section 46 annual performance reports (APRs) submitted to AGSA for auditing.	To submit the APRs for Auditing.	To develop a report on APRs submitted.	Output	1	5 (1 APR x 1 X 5 = 5)	1 (1 APR x 1 = 1)	1 (1 x APR x 1 = 1)	-	1	-	-	<b>Target Achieved</b>	All	Council	❖ APR ❖ AGSA proof of submission

## Mid-Year Budget and Performance Report 2025/2026 FY

Good Governance															
KPI No. & Unit of Measurement (Number/ Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
13. Number of Municipal Finance Management Act section 21 (b) IDP review process plan adopted.	To adopt the annual IDP review process plan.	Report developed on Annual review of process plan adopted.	Output	1	5 (1 IDP x 1 x 5 = 5)	1 (1 IDP x 1 = 1)	1 (1 IDP x 1 = 1)	-	1	-	-	Target Achieved	All	Council	❖ IDP Process Plan (includes budget and performance management) ❖ Minutes
14. Number of audit action plans adopted.	To report on adopting the action plan.	Report developed on adopting the action plan.	Output	1	5 (1 AAP x 1 X 5 = 5)	1 (1 AAP x 1 = 1)	1 (1 AAP x 1 = 1)	-	1	-	-	Target Achieved	All	Council	❖ Audit action plan ❖ Minutes

## Mid-Year Budget and Performance Report 2025/2026 FY

### KPA 3: Basic Service Delivery (*Delivering Basic Services*)

Basic Service Delivery ( <i>Delivering Basic Services</i> )															
KPI No. & Unit of Measurement (Number/ Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
<b>WS3.21</b> 1. <b>Percentage (%)</b> of callouts responded to within 48 hours (water).	To <b>report</b> on percentage of callouts responded to within 48 hours (water).	Report <b>developed</b> on percentage of callouts responded to within 48 hours (water).	Output	0 (New)	20 (1 CORW x 4 x 5 = 20)	4 (1 CORW X 4 = 4)	1 (1 CORW x1 = 1)	1 (1 CORW x1 = 1)	75%	Limited resources which lead to delayed repairs	Municipality to appoint a panel of suppliers to ensure that require material can be available within 24 hrs	<b>Not Achieved</b>	All	Council	❖ Report (s)
<b>WS3.11</b> 2. <b>Percentage (%)</b> of callouts responded to within 48 hours (sanitation/ wastewater).	To <b>report</b> on percentage of callouts responded to within 48 hours (sanitation/ wastewater).	Report <b>developed</b> on percentage of callouts responded to within 48 hours (Sanitation/wastewater).	output	0 (New)	20 (1 CORSW x 4 x 5 = 20)	4 (1 CORSW X 4 = 4)	1 (1 CORSW x1 = 1)	1 (1 CORSW x1 = 1)	72%	Limited resources which lead to delayed repairs	Municipality to appoint a panel of suppliers to ensure that require material can be available within 24 hrs	<b>Not Achieved</b>	All	Council	❖ Report (s)

## Mid-Year Budget and Performance Report 2025/2026 FY

Basic Service Delivery (Delivering Basic Services)															
KPI No. & Unit of Measurement (Number/ Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
<b>EE3.11</b> 3. <b>Percentage (%)</b> of unplanned outages that are restored to supply within industry standard timeframes.	To <b>report</b> on unplanned percentage of outages that are restored to supply within industry standard timeframes	Report <b>developed</b> on percentage of unplanned outages that are restored to supply within industry standard timeframes.	Output	0 (New)	20 (1 UOR x 4 x 5 = 20)	4 (1 UOR x 4 = 4)	1 (1 UOR x1 = 1)	1 (1 UOR x1 = 1)	Quarter 1 - 100%  Quarter 2 - 80%	The cause of outage was outside the control of the Municipality	Eskom was contacted to resolve the fault	Partially Achieved	All	Council	❖ Report (s)
<b>TR6.21</b> 4. <b>Percentage (%)</b> of reported pothole complaints resolved within standard municipal response time.	To <b>report</b> on percentage of reported pothole complaints resolved within standard municipal response time.	Report <b>developed</b> on percentage of reported pothole complaints resolved within standard municipal response time.	Output	0 (New)	20 (1 PCR x 4 x 5 = 20)	4 (1 PCR X 4 = 4)	1 (1 PCR x1 = 1)	1 (1 PCR x1 = 1)	0%	The Municipality is in a process of closing all potholes prior to the implementation of the potholes register.	The complaints register will be utilised upon the completion of the ongoing project of closing potholes.	Not Achieved	All	Council	❖ Report (s)

## Mid-Year Budget and Performance Report 2025/2026 FY

Basic Service Delivery (Delivering Basic Services)															
KPI No. & Unit of Measurement (Number/Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
<b>C86</b> 5. Number of households in the municipal area registered as indigent.	To report on number of households in the municipal area registered as indigent.	Report developed number on households in the municipal area registered as indigent.	Output	0 (New)	20 (1 IR x 4 x 5 = 20)	4 (1 IR x 4 = 4)	1 (1 IR x 1 = 1)	1 (1 IR x 1 = 1)	<b>Target not reported on</b>				All	Council	❖ Report (s)
<b>WS4.1</b> 6. Percentage (%) of drinking water samples complying to SANS241.	To report on percentage of drinking water samples complying to SANS241.	Report developed on percentage of drinking water samples complying to SANS241.	Output	0 (New)	20 (1 DWS x 4 x 5 = 20)	4 (1 DWS x 4 = 4)	1 (1 DWS x 1 = 1)	1 (1 DWS x 1 = 1)	0%	Non-payment of the laboratory	The Technical department to make a follow up on the request submitted to finance for payment of the laboratory	<b>Not Achieved</b>	All	Council	❖ Reports
7. Number of MIG and other conditional grants expenditure reports submitted to Council.	To submit MIG and other conditional grants expenditure reports.	Report developed on MIG, and other conditional grants expenditure reports submitted.	Output	4	20 (4 MIG&O x 1 x 5 = 20)	4 (1 MIG&O x 4 = 4)	1 (1 MIG&O x 1 = 1)	1 (1 MIG&O x 1 = 1)	-	-	-	<b>Target Achieved</b>	All	Council	❖ Report (s) ❖ Minutes

# Mid-Year Budget and Performance Report 2025/2026 FY

## KPA 4: Financial Viability and Management (Sound Financial Management)

Financial Viability and Management (Sound Financial Management)															
KPI No. & Unit of Measurement (Number/ Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
<b>FM7.12</b> 1. Collection rate ratio at 70%.	To report on collection rate ratio.	Report <b>developed</b> on collection rate ratio.	Output	0 (New)	20 (1 CRR 4 x 5 = 20)	4 (1 CRR x 4 = 4)	1 (1 CRR x1 = 1)	1 (1 CRR x1 = 1)	0	Due to delay in billing, caused by employees picketing from February to June 2025	Things will improve in the 2nd quarter of 2025 since some credit control measures have been implemented	<b>Not Achieved</b>	All	Council	❖ Report(s)
<b>FM7.11</b> 2. Debtors' payment period.	To report on debtors' payment period.	Report <b>developed</b> on debtors' payment period.	output	0 (New)	20 (1 DPR X 4 x 5 = 20)	4 (1 DPR x 4 = 4)	1 (1 DPR x1 = 1)	<b>Target not reported on</b>				All	Council	❖ Report(s)	

## Mid-Year Budget and Performance Report 2025/2026 FY

Financial Viability and Management (Sound Financial Management)															
KPI No. & Unit of Measurement (Number/ Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
<b>FM4.21</b> 3. Creditors' payment period.	To <b>report</b> on creditors' payment period.	Report <b>developed</b> on creditors' payment period.	Output	0 (New)	20 (1 CPR x 4 x 5 = 20)	4 (1 CPR x 4 = 4)	1 (1 CPR x 1 = 1)	0	<b>Target not reported on</b>	Financial constraints	Revenue Enhancement to be implemented	<b>Not Achieved</b>	All	Council	❖ Report(s) ❖
<b>FM3.11</b> 4. Cash/ cost coverage ratio.	To <b>report</b> on cash/ cost coverage ratio.	Report <b>developed</b> on cash/ cost coverage ratio.	Output	0 (New)	20 (1 CCR x 4 x 5 = 20)	4 (1 CCR x 4 = 4)	1 (1 CCR x 1 = 1)	<b>Target not reported on</b>					All	Council	❖ Report(s)
5. Number of Systems Act section 57(2) Performance Agreements concluded.	To <b>approve</b> Performance Agreements concluded.	To <b>develop</b> a report on Performance Agreement concluded.	Output	1	5 (1 PA x 1 X 5 = 5)	1 (1 PA x 1 = 1)	1 (1 x PA x 1 = 1)	-	4 1 not signed	❖	Ensure Pass are signed within the legislated timeframe	<b>Target Achieved</b>	All	Council	❖ Annual Performance Agreements of MM and Senior Managers

## Mid-Year Budget and Performance Report 2025/2026 FY

Financial Viability and Management (Sound Financial Management)															
KPI No. & Unit of Measurement (Number/ Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
6. Number of MFMA section 126 (1) and (2) annual financial statements (AFSs) submitted to AGSA for auditing.	To submit the AFSs for Auditing.	To develop a report on AFSs submitted.	Output	1	5 (1 AFS x 1 X 5 = 5)	1 (1 AFS x 1 = 1)	1 (1 x AFS x 1 = 1)	-	1	-		Target Achieved	All	Council	❖ AFS ❖ AGSA proof of submission

# Mid-Year Budget and Performance Report 2025/2026 FY

## KPA 5: Institutional Development and Transformation (Building Capable Municipalities)

Institutional Development and Transformation (Building Capable Municipalities)															
KPI No. & Unit of Measurement (Number/Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/Key Initiative/Project/Programme)	Indicator Type (Output/Outcome)	Baseline (2024/2025 Actual result)	5-year Target (2027/2028)	Annual Target (2025/2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/Portfolio of Evidence (POE)
1. Number of MFMA C88 quarterly reports submitted to DCoG.	To submit MFMA C88 reports.	MFMA C88 reports submitted	Output	0 <i>(New)</i>	2 <i>(1 C88R x 4 x 5 = 20)</i>	4 <i>(1 C88R x 4 = 4)</i>	1 <i>(1 C88R x 1 = 1)</i>	1 <i>(1 C88R x 1 = 1)</i>	Quarter 1 - 1 Quarter 2 - 0	No submissions received from departments	Ensure compliance with legislation	Partially Achieved	All	Council	❖ Report(s)
2. Number of MPAT (municipal performance reports) quarterly reports submitted to DCoG.	To submit MPAT reports.	MPAT reports submitted	Output	0 <i>(New)</i>	20 <i>(1 MPAT x 4 x 5 = 20)</i>	4 <i>(1 MPAT X 4 = 4)</i>	1 <i>(1 MPAT x 1 = 1)</i>	1 <i>(1 MPAT x 1 = 1)</i>	0	No submissions received	Ensure compliance with legislation	Not Achieved	All	Council	❖ Report(s)

## Mid-Year Budget and Performance Report 2025/2026 FY

Institutional Development and Transformation (Building Capable Municipalities)															
KPI No. & Unit of Measurement (Number/Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/Key Initiative/Project/Programme)	Indicator Type (Output/Outcome)	Baseline (2024/2025 Actual result)	5-year Target (2027/2028)	Annual Target (2025/2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/Portfolio of Evidence (POE)
3. Number of progress report on implementation of Free State LG Summit Resolutions.	To submit report on implementation of the Summit resolutions.	To develop a report on Summit resolutions implemented.	Output	0 <b>(New)</b>	20 <i>(1 SRR x 4 x 5 = 20)</i>	4 <i>(1 SRR x 4 = 4)</i>	1 <i>(1 SRR x 1 = 1)</i>	1 <i>(1 SRR x 1 = 1)</i>	0	Tabled to council but deferred	To be tabled in the next council meeting	<b>Not Achieved</b>	All	Council	❖ Report(s)

# Mid-Year Budget and Performance Report 2025/2026 FY

## KPA 6: Local Economic Development (LED)

Local Economic Development (LED)															
KPI No. & Unit of Measurement (Number/ Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
<b>LED1.21</b> 1. Number of work opportunities created through Public Employment Programmes (PEPs) [including EPWP, CWP and other related employment programmes].	To report on work opportunities created through PEPs.	Report developed on work opportunities created through PEPs.	Output	0 (New)	20 (4 PEPR x 1 x 5 = 20)	4 (1 PEPR x 4 = 4)	1 (1 PEPR x 1 = 1)	1 (1 PEPR x 1 = 1)	2	-	-	Target Achieved	All	Council	❖ Report(s)
<b>LED2.12</b> 2. Percentage (%) of the municipality's operating budget spent on indigent relief for free basic services.	To report on municipality's operating budget spent on indigent relief.	Report developed on municipality's operating budget spent on indigent relief.	output	0 (New)	20 (4 OPEX x 1 x 5 = 20)	4 (1 OPEX x 4 = 4)	1 (1 OPEX x 1 = 1)	1 (1 OPEX x 1 = 1)	Target not reported on				All	Council	❖ Report(s)
<b>LED3.11</b> 3. Average time taken to finalise business license applications.	To report on business license applications.	Report developed on business license applications.	Output	0 (New)	20 (4 BLAR x 1 x 5 = 20)	4 (1 BLAR x 4 = 4)	1 (1 BLAR x 1 = 1)	1 (1 BLAR x 1 = 1)	2	-	-	Target Achieved	All	Council	❖ Report(s)

## Mid-Year Budget and Performance Report 2025/2026 FY

Local Economic Development (LED)															
KPI No. & Unit of Measurement (Number/ Percentage)	Pre-determined Objectives (Desired Performance)	Indicator (Activity/ Key Initiative/ Project/ Programme)	Indicator Type (Output/ Outcome)	Baseline (2024/ 2025 Actual result)	5-year Target (2027/ 2028)	Annual Target (2025/ 2026)	Top Layer SDBIP Q1	Top Layer SDBIP Q2	Actual Achievement	Reason for deviation	Action to be taken	PMS Comment	Wards	Funding Source (Budget)	Means of Verification/ Portfolio of Evidence (POE)
<b>LED3.31</b> 4. Average number of days from the point of advertising to the letter of award per 80/ 20 procurement process.	To report on procurement processes.	Report developed on procurement processes.	Output	0 (New)	20 (4 PPR x 1 x 5 = 20)	4 (1 PPR x 4 = 4)	1 (1 PPR x 1 = 1)	1 (1 PPR x 1 = 1)	2	-	-	Target Achieved	All	Council	❖ Report(s)
<b>HS2.22</b> 5. Average number of days taken to process building plan applications of less than 500 square meters.	To report on building plan applications.	Report developed on building plan applications.	Output	0 (New)	20 (4 BPAR x 1 x 5 = 20)	4 (1 BPAR x 4 = 4)	1 (1 BPAR x 1 = 1)	1 (1 BPAR x 1 = 1)	Target not reported on				All	Council	❖ Report(s)

## Mid-Year Budget and Performance Report 2025/2026 FY

### STATUS OF CAPITAL PROJECTS AS AT 31 DECEMBER 2025

Project Description	Start Date	Completion Date	Status	Progress
Zastron/Matlakeng: Upgrading of Waste Water Pump Stations and construction of new outfall sewer line (MIS:369340)	09/12/2019	31/01/2026	Construction	99% The project has reached practical completion however the works cannot be commissioned due to the outstanding connection of the new sewer network in Refengkhotoso.
Zastron/Matlakeng: The construction of a sewer network in Refengkhotoso for 900 erven (MIS:507068)	21/08/2023	31/01/2026	Construction	98% The outstanding scope is the connection of a new sewer network and the bulk sewer line to pump station no.1
Zastron/Matlakeng: Specialized Vehicles for Waste Management (MIS:426336)	01/05/2025	15/07/2025	Complete	100%
Rouxville/Roleleathunya: Construction of the Sports Ground – Phase 1 (MIS:484877)	28/08/2025	26/02/2026	Construction	40% The progress on site was delayed by the rainfall.
Smithfield/Mofulatshepe: Construction of 1km paved access road with storm water (Phase 2) in Greenfields (MIS:504267)	To be confirmed upon the appointment of a contractor	To be confirmed upon the appointment of a contractor	Design & Tender	The project is at BID Evaluation Stage.
Zastron/Matlakeng: Repairs and refurbishment of the waste water treatment works (WWTW) (MIS:527501)	To be confirmed upon the appointment of a contractor	To be confirmed upon the appointment of a contractor	Design & Tender	The tender closed on the 31/10/2025. Currently awaiting the sitting of the Bid Evaluation Committee.
Smithfield/ Mofulatshepe: Upgrading of the Outfall Sewer line	13/12/2025	30/09/2026	Construction	5% Site Establishment

# Mid-Year Budget and Performance Report 2025/2026 FY

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## Municipal Manager's Quality Certificate

I, **MS MOHALE**, Acting Municipal Manager of Mohokare Local Municipality, hereby certify that –

- The section 71 monthly budget statement;
- The quarterly report on the implementation of the budget and financial state of affairs of the municipality, and
- The mid-year budget and performance assessment

for the month of December 2025, has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.



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**ACTING MUNICIPAL MANAGER**

**25 January 2026**

## Mid-Year Budget and Performance Report 2025/2026 FY

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