Lekwa-Teemane Local Municipality

NW396

Mid-term Budget and Performance Assessment Report (MFMA Section 72) for the Period Ending 31 December 2025

Financial Year 2025/26

TABLE OF CONTENTS **PAGE NO.**

BACKGROUND

Purpose 4

Legislative Framework 4-6

PART 1 – IN-YEAR REPORTS

1.1 Mayor's report 7-8

1.2 Resolutions 9

1.3 Executive summary 10-22

1.4 In-year budget statement tables 23

1.4.1 Table C1: MBS – Summary 23

1.4.2 Table C2: MBS – Financial Performance by Standard Classification 24

1.4.3 Table C3: MBS – Financial Performance by Municipal Vote 25-26

1.4.4 Table C4: MBS – Financial Performance (Revenue & Expenditure) 27-29

1.4.5 Table C5: MBS – Capital Expenditure (Municipal Vote,
Standard Classification and Funding) 30

1.4.6 Table C6: MBS – Financial Position 31

1.4.7 Table C7: MBS Cash Flows 32

PART 2 – SUPPORTING DOCUMENTS

2.1 Debtors age analysis 33

2.2 Creditors age analysis 34

2.3 Investment portfolio analysis 35

2.4 Allocation of grants receipts and expenditure 36-38

2.5 Expenditure on councilor and staff benefits 39

2.6 Material variances to the service delivery and budget implementation plan 40

2.8 Parent municipality's financial performance	41
2.9 Municipal Entity's Financial Performance	42
2.10 Capital program performance	42-45
PART 3 – SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN	**46**
Annexure A (Part of other supporting documents as per point 2.9 above)	
3.1 Other Supporting Document	46-71
3.2 Municipal manager's quality certificate	72
3.3 Acknowledgement of receipt	73

BACKGROUND

Purpose

To request Exco,

- To note the mid-year budget and performance assessment report for 2025/26 financial year,
- Consider an adjustment to the budget for any;
  - Under or over collection on revenue,
  - Under or overspending on all affected expenditure items
  - Where necessary, consider revising the SDBIPs

Legislative Background

Section 72 of the Municipal Finance Management Act 56 of 2003 states that;

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

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

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

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

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

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

(b) submit a report on such assessment to-

(i) the mayor of the municipality;

(ii) the National Treasury; and

(iii) relevant provincial treasury

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

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

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

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

These must be read together with section 66 of the MFMA which states that;

The accounting officer of a municipality must, in a format and for periods as may be prescribed, report to the council on **all** expenditure incurred by the municipality on staff salaries. wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure, namely-

(a) salaries and wages;

(b) contributions for pensions and medical aid:

(c) travel, motor car, accommodation, subsistence and other allowances:

(d) housing benefits and allowances;

(e) overtime payments:

(f) loans and advances; and

(g) any other type of benefit or allowance related to staff.

Thereafter, the mayor must in terms of section 54(1) on receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72. The mayor must-

(a) Consider the statement or report;

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

(c) Consider and, if necessary, make any revisions to the service delivery and

budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;

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

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

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

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

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

PART 1 – IN YEAR REPORTING

MAYOR'S FOREWORD

This mid-term report's objectives are to evaluate the Municipality's performance in the first half of the fiscal year, 2025/26, and highlight its accomplishments, challenges and make recommendations on how to build on its successes and address its shortcomings in the second half of the fiscal year, evaluate the plans, and make any necessary adjustments to the budget.

This financial year saw the continuing financial distress due to non-payment of municipal services. As much as there were initiatives undertaken, the overall collection of the municipality was 57% as at 31st December 2025.

The municipal debt continues to rise as a result of bulk electricity. The bulk electricity account contributes more than 90% to the creditors book of the municipality. The municipality owes Eskom an amount of R 417,6 million, which the municipality has entered into a payment arrangement in an effort to reduce the debt. Accounting with the bulk of the debt coming from Eskom, the municipality has been attempting by all means to honour the conditions of Eskom Debt Relief in terms of circular 124, however the main contributors towards default is due to failure to pay current account, ringfencing and implementation of smart meters.

As part of our revenue enhancement initiatives, the municipality has appointed a debt collection agency on risk basis to assist with recovering historic debt from consumers. The project has already started (November 2025) and expected to yield some results from the third quarter of the financial year.

The partnership between the governed and those in authority was highly valued in the past financial year where the local municipality in partnership with government departments, saw the enhancement of service delivery through Thuntsa Lorole programme which the North West Provincial Government initiated.

The above programme was equally able to ensure that there is an intensive community mobilisation where complaints and comments of the community are been considered at a broader spectrum. The municipality is still continuing on various platforms, available to the community to enhance service delivery

Although the above remains a challenge the municipality will ensure that they spent 100 % of the conditional grants such as MIG.

The municipality continues to investigate UIFW on a yearly basis, which further reduces the UIF&W, however, with the challenge of historic balances which the municipality is working on solutions on how to investigate and further write-off. On a positive note, the municipality appointed substantive municipal manager and the technical director. The municipality further moved from a disclaimer opinion to adverse, the opinion may not be as positive, however, the municipality is working on further improving the audit opinion.

The Council through the Mayoral job creation programme was able to employ several young beneficiaries. Apart from creating jobs, the programme intended to ensure that the youths are capacitated with much-needed skills in plumbing, brickmaking etc as well as poverty alleviation.

We are halfway through the financial year and I hope and trust that we will implement all our planned projects and interventions by the end of June 2026.

I thank you

Duly Signed

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Honourable Cllr Mr. S.M Motlhabi
Mayor – Lekwa Teemane Local Municipality

1.2 Resolutions

MFMA Section 72 – Mid Year Budget and Performance Assessment Report

As per the recommendations below, the municipal council is requested to take note of the mid-year report on the implementation of the budget and financial state of affairs of Lekwa-Teemane Local Municipality, demarcation code NW396, for the period ending 31 December 2025, and approve for adjustments to be made on the annual budget for 2025/26 financial year.

Recommendations:

It is recommended that;

- Exco takes note of the 2025/26 financial year's mid-year budget and performance assessment report in terms of section 72 of the Municipal Finance Management Act no 56 of 2003;

- Council takes note of the Service Delivery and Budget Implementation Plan for the period July - December 2025;

- Council takes note that adjustments need to be made to the annual budget and tabled to council for approval by end of February 2026.

Signed

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Honourable Cllr Mr. Sebang Motlhabi

Mayor – Lekwa Teemane Local Municipality

1.3 Executive Summary

These figures are presented in terms of Section 72 of the Municipal Finance Management Act no.56 of 2003, for the period ending 31 December 2025 and tabled to council in terms of Section 54(1) of the Municipal Finance Management Act no.56 of 2003.

1.3.1 Consolidated performance against the annual budget as approved by council in December 2025.

Total Revenue (excluding capital transfers)

The total revenue billed for the period July – December 2025 amounts to R 211 million in comparison to the mid-term target of R 235 million. This shows that the billing has not performed as per the mid-term target by R24 million. See details below.

Description	Budget Year 2025/26				
Revenue By Source	**Original Budget**	**Year-To Date budget**	**Mid -term actual**	**over/under performance**	**over/under performance as percentgage**
	R	**R**	**R**	**R**	**%**
Service charges - Electricity	136 453 597.00	68 226 805.38	58 483 703.00	9 743 102.38	-14%
Service charges - Water	27 573 523.00	13 786 761.72	9 216 275.00	4 570 486.72	-33%
Service charges - Waste Water Management	17 760 602.00	8 880 300.60	9 553 495.00	(673 194.40)	8%
Service charges - Waste management	13 904 373.00	6 952 186.98	7 853 696.00	(901 509.02)	13%
Sale of Goods and Rendering of Services	711 986.00	355 992.00	334 346.00	21 646.00	-6%
Agency services	4 498 618.00	2 249 310.00	(97 307.00)	2 346 617.00	-104%
Interest earned from Receivables	56 705 003.00	28 352 502.00	37 941 514.00	(9 589 012.00)	34%
Interest from Current and Non Current Assets	-	-	-	-	-
Rental from Fixed Assets	17 840.00	8 916.00	12 072.00	(3 156.00)	35%
Licence and permits	-	-	-	-	0%
Operational Revenue	106 777.00	53 394.00	916.00	52 478.00	-98%
Property rates	54 064 301.00	27 032 146.56	19 655 656.00	7 376 490.56	-27%
Fines, penalties and forfeits	5 736 624.00	2 868 312.00	3 321 015.00	(452 703.00)	16%
Licence and permits	-	-	-	-	0%
Transfers and subsidies - Operational	75 577 400.00	37 788 702.00	51 706 438.00	(13 917 736.00)	37%
Interest	22 172 543.00	11 086 272.00	13 457 457.00	(2 371 185.00)	21%
Fuel Levy	-	-	-	-	0%
Operational Revenue	-	-	-	-	0%
Gains on disposal of Assets	-	-	-	-	0%
Other Gains	56 418 804.00	28 209 402.00	-	28 209 402.00	0%
Discontinued Operations	-	-	-	-	0%
Total Revenue (excluding capital transfers and contributions)	**471 701 991.00**	**235 851 003.24**	**211 439 276.00**	**24 411 727.24**	**-10%**

All revenue items with a percentage below 100 indicate underperformance in revenue billed and will need to be adjusted down accordingly. The following items need to be adjusted down:

- Electricity – by 14%
- Water – by 33%
- Sales of goods and services – by 6%
- Agency services – by 104%
- Operational revenue – by 98%
- Property rates – 27%
- All other revenue items will not be adjusted as the performance seems to either be in line with or above the mid-term target.

Operating Expenditure

Operating expenditure for the six-month period (July – December 2025) amounts to R 161 million, against a mid-term budget of R 201 million, representing 80% of the mid-term target. These operational expenditure items exclude non-cash item like depreciation. See detailed information on the table below;

Description	Budget Year 2025/26				
	Original Budget	Year To-Date budget	Mid -term actual	over/under performance	over/under performance as percentgage
R thousands	**R**	**R**	**R**	**R**	**%**
Expenditure By Type					
Employee related costs	107 815 125.00	53 907 570.00	50 196 613.00	3 710 957.00	7%
Remuneration of councillors	8 181 972.00	4 090 986.00	3 606 745.00	484 241.00	12%
Bulk purchases - electricity	74 356 455.00	37 178 226.00	52 575 672.00	(15 397 446.00)	-41%
Inventory consumed	1 263 200.00	531 594.00	1 577 303.00	(1 045 709.00)	-197%
Debt impairment	124 878 200.00	62 439 102.00	1 396 611.00	61 042 491.00	98%
Depreciation and amortisation	33 024 241.00	16 512 120.00	-	16 512 120.00	100%
Interest	2 300 000.00	1 150 002.00	15 297 604.00	(14 147 602.00)	-1230%
Contracted services	34 929 934.00	17 464 980.00	14 996 418.00	2 468 562.00	14%
Transfers and subsidies	1 000 000.00	289 666.00	447 139.00	(157 473.00)	-54%
Operational costs	15 636 754.00	8 254 614.00	21 074 454.00	(12 819 840.00)	-155%
Losses on Disposal of Assets	-	-	-	-	0%
Other Losses	0	0	0	-	0%
Total Expenditure	**403 385 881.00**	**201 818 860.00**	**161 168 559.00**	**40 650 301.00**	**20%**

All expenditure items with a percentage above 100 indicate overspending on the mid-term budget and may need to be adjusted up depending on the budget availability. Revenue items which need to be adjusted downwards will have a negative impact on the budget and cash flow. Given also the historic Eskom debt that the municipality has to pay, we will not be in a position to allocate any additional budget to any expense item in the adjustment in February 2026. The municipality must also implement strict cost containment measures on all expense items as the municipality is already overspending on all expenditure items and collecting poorly on revenue.

Operating Expenditure per Vote

Vote 1 - Municipal Manager and Council Support

Council Support

Description	**Budget Year 2025/26**					
Expenditure By Source	**Original Budget**	**Mid -term actual**	**Year-to-date budget**	**Over/under performance (year-to-date budget)**	**Over/under performance as percentgage (year-to-date budget)**	**Percentage spent (original budget)**
	R	**R**	**R**	**R**	**%**	**%**
Employee related costs	4 957 034.00	2 317 443.30	2 478 517.00	(161 073.70)	7%	47%
Remuneration of councillors	8 181 972.00	4 090 986.42	4 090 986.00	0.42	0%	50%
Inventory consumed	-	-	-	-	0%	0%
Operational costs	2 404 082.00	1 202 040.98	1 202 041.00	(0.02)	0%	50%
			-			
Total Expenditure	**15 543 088.00**	**7 610 470.70**	**7 771 544.00**	**(161 073.30)**	**2%**	**49%**

Municipal Manager

Description	**Budget Year 2025/26**					
Expenditure By Source	**Original Budget**	**Mid -term actual**	**Year-to-date budget**	**Over/under performance**	**Over/under performance as percentgage**	**Percentage spent (original budget)**
	R	**R**	**R**	**R**	**%**	**%**
Employee related costs	16 933 128.00	3 818 754.65	7 658 301.90	(3 839 547.25)	101%	23%
Inventory consumed					0%	
Contracted services	64 852.00	0.00	-	-	0%	0%
Operational costs	1 162 300.00	8 028 761.80	561 149.92	(561 149.92)	0%	691%
Depreciation	294 969.00					
Total Expenditure	**18 455 249.00**	**11 847 516.45**	**8 219 451.82**	**(4 400 697.17)**	**37%**	**64%**

Compared to the midterm budget for 2025/26, the Municipal Manager has underspent on their budget. The department has excessively overspent within line items such as operational costs (e.g. accommodation).

Vote 2- Corporate Services

Description	Budget Year 2025/26					
Expenditure By Source	Original Budget	Mid -term actual	Year-to-date budget	over/under performance	over/under performance as percentgage	Percentage spent (original budget)
	R	R	R	R	%	%
Employee related costs	15 896 595.00	8 863 017.85	7 948 297.50	914 720.35	-10%	56%
Inventory consumed	-	-	-	-	0%	#DIV/0!
Contracted services	12 945 855.00	6 092 779.11	6 472 927.50	(380 148.39)	6%	47%
Operating lease	400 000.00	-	200 000.00	(200 000.00)	0%	0%
Operational costs	4 356 854.00	2 597 761.03	2 178 427.00	419 334.03	0%	60%
Transfers expenditure	1 000 000.00		500 000.00			
Total Expenditure	**34 599 304.00**	**17 553 557.99**	**17 299 652.00**	**753 905.99**	**-4%**	**51%**

Corporate services have overspent its midterm budget. The overspending is on contracted services and machine rental. It should also be noted that some items budget such as maintenance and legal fees cannot be reduced much as it will lead to the votes being over spent at the end of the financial year.

Vote 3 - Budget and Treasury Office

Description	Budget Year 2025/26					
Expenditure By Source	Original Budget	Mid -term actual	Year-to-date budget	over/under performance	over/under performance as percentgage	Percentage spent (original budget)
	R	R	R	R	%	%
Employee related costs	18 647 573.00	10 454 378.78	9 323 786.50	1 130 592.28	-11%	56%
Inventory consumed	963 200.00	1 453 281.81	481 600.00	971 681.81	0%	
Debt impairment	124 878 200.00	1 396 610.55	62 439 100.00	(61 042 489.45)	4371%	1%
Depreciation and amortisation	0.00	-	-	-	0%	#DIV/0!
Interest	2 300 000.00	15 297 604.59	1 150 000.00	14 147 604.59	-92%	665%
Contracted services	11 948 313.00	7 430 629.10	5 974 156.50	1 456 472.60	-20%	62%
Transfers and subsidies	0.00	447 138.77	-	447 138.77	-100%	
Operational costs	6 577 744.00	9 322 331.10	3 288 872.00	6 033 459.10	0%	142%
Losses on Disposal of Assets						
Other Losses						
Total Expenditure	**165 315 030.00**	**45 801 974.70**	**82 657 515.00**	**(36 855 540.30)**	**80%**	**28%**

Finance department in overall has overspent on the budget. The overspending is on the non-cash item which is bad debt impairment.

Vote 4 - Community Services

Description	Budget Year 2025/26					
Expenditure By Source	Original Budget	Mid -term actual	Year-to-date budget	Over/under performance	Over/under performance as percentgage	Percentage spent (original budget)
					%	%
	R	R	R	R		
Employee related costs	28 446 226.00	13 823 073.69	14 223 113.00	(400 039.31)	3%	49%
Inventory consumed	113 264.00	-	56 632.00	(56 632.00)	0%	0%
Contracted services	2 950 000.00	109 100.03	1 475 000.00	(1 365 899.97)	1252%	4%
Operating lease	0.00	0.00	-	-	0%	0%
Operational costs	515 774.00	162 599.32	257 887.00	(95 287.68)	0%	32%
Depreciation	2 262 953.00	-	1 131 476.50	(1 131 476.50)	0%	0%
Total Expenditure	**34 288 217.00**	**14 094 773.04**	**17 144 108.50**	**(3 049 335.46)**	**22%**	**41%**

In overall community services is spending well across all line items.

Vote 5 - Technical Services

Description	Budget Year 2025/26					
Expenditure By Source	Original Budget	Mid -term actual	Year-to-date budget	Over/under performance	Over/under performance as percentgage	Percentage spent (original budget)
	R	R	R	R	%	%
Bulk Purchases	74 356 455.00	52 575 971.88	37 178 227.50	15 397 744.38	-29%	71%
Contracted services	7 020 914.00	1 349 030.67	3 510 457.00	(2 161 426.33)	160%	19%
Employee related costs	22 934 569.00	12 129 496.89	11 467 284.50	662 212.39	-5%	53%
Depreciation and amortisation	30 053 055.00	0.00	15 026 527.50	(15 026 527.50)	0%	0%
Inventory consumed	100 000.00	110 705.80	50 000.00	60 705.80	-55%	111%
Operational costs	220 000.00	117 278.49	110 000.00	(110 000.00)	94%	53%
					0%	
Total Expenditure	**134 684 993.00**	**66 282 483.73**	**67 342 496.50**	**(14 413 609.31)**	**22%**	**49%**

Technical services department has overspent on contracted services; operational cost and a major contributor is depreciation (non-cash item).

In conclusion and overall, the municipality's budget is strained and extreme cost containment measures needs to be implemented in order to achieve financial viability.

Capital Expenditure

The capital expenditure budget for the financial year amounts to R 21 million. Amount spent for the six months period ending 31 December 2025 amounts to R 15.5 million of the R 16.5 million received.

Statement of Cash Flows

cash Receipts	Original budget	Mid-term target	Mid-term Actual	Variance	Mid-term performance
Property rates	32 438 581.00	16 219 290.00	14 095 856.76	(2 123 433.24)	-15%
Service charges	137 743 143.00	68 871 576.00	49 091 998.67	(19 779 577.33)	-40%
Other revenue	11 202 281.00	5 601 144.00	1 697 019.33	(3 904 124.67)	-230%
Transfers and Subsidies - Operational	75 577 400.00	37 788 702.00	58 247 000.00	20 458 298.00	35%
Transfers and Subsidies - Capital	20 992 600.00	10 496 298.00	16 500 000.00	6 003 702.00	0%
Interest	-	-	-	-	0%
Dividends	-	-	-	-	0%
Total receipts	**277 954 005.00**	**138 977 010.00**	**139 631 874.76**	**654 864.76**	**0%**
Payments					
Suppliers and employees	(259 658 711.00)	(121 647 402.00)	(125 091 240.30)	(3 443 838.30)	3%
Finance charges	(2 300 000.00)	(1 150 002.00)	-	1 150 002.00	-100%
Transfers and Subsidies	(1 000 000.00)	499 998.00	(682 710.00)	(1 182 708.00)	-237%
Capital asstes	(21 107 600.00)	(10 553 796.00)	(16 764 583.85)	(6 210 787.85)	59%
Total payments	**(284 066 311.00)**	**(132 851 202.00)**	**(142 538 534.15)**	**(9 687 332.15)**	7%
surplus /deficit	**(6 112 306.00)**	**6 125 808.00**	**(2 906 659.39)**	**(9 032 467.39)**	**(1.47)**
Add:Opening Balance	8 969 790.00	8 969 790.00	9 436 577.98	-	-
Closing balance	2 857 484.00	15 095 598.00	6 529 918.59	(9 032 467.39)	(1.47)

- The opening balance of cash at the beginning of the financial year was R 8.9 million.
- Revenue collection on service charges has overperformed and this is due to mainly electricity revenue amongst others.
- The actual collection rate per service category is as follows and these may need to be adjusted down especially on service charges.
    - Electricity – 61%
    - Property rates – 72%
    - Water – 58%
    - Refuse – 47%
    - Sewer – 46%
    - Other revenue – 42%

Creditors

Total amount of creditors as at the end of December 2025 is R 444 247 million, with 3% of the amount owed to other creditors, 94% to Eskom and the remaining 2 to AG, VAT and suppliers.

Debtors

Total amount owed to the municipality as at end of December 2025 is R 1 397 billion, with 67% owed by households, 25% owed by commercial entities and 7% owed by organs of state.

1.3.2 Material variances from SDBIP (Service Delivery and Budget Implementation Plan)

Variances and deficiencies will be explained in terms of the SDBIP and will be reported on by Performance Management Unit. The Service Delivery and Budget Implementation Plan (SDBIP) performance of the municipality is attached as **annexure A** under **Part 3** to this report and will reflect the municipal performance on the non-financial information for the period 1 July 2025 to 31 December 2025

1.3.3 Annual Report

The annual report for 2024/25 financial year is being finalized and will be tabled to council by end of January 2026.

1.3.4 Remedial measures

Remedial actions and corrections as recommended by the performance management unit on the SDBIPs must be implemented and adjustments must be made on the budget. This will be dealt with during the adjustment budget process in February 2026. Detailed explanations of the remedial or corrective steps will be provided as part of the budget adjustment report.

1.3.5 Conclusion

The assessment made has indicated that there is a need for an adjustment on the budget. National and provincial adjustment gazettes will also be used to guide on revenue estimates as adjusted or reallocated. Detailed analysis of the municipal performance for the period ending 31 December 2025 is presented in the different sections of this report.

RECOMMENDATION

That management takes notes the Section 72 report for 31 December 2025.

That management notes the need for a collective effort in improving the revenue collection of the municipality and implementing cost containment measures.

1.4 Executive Summary

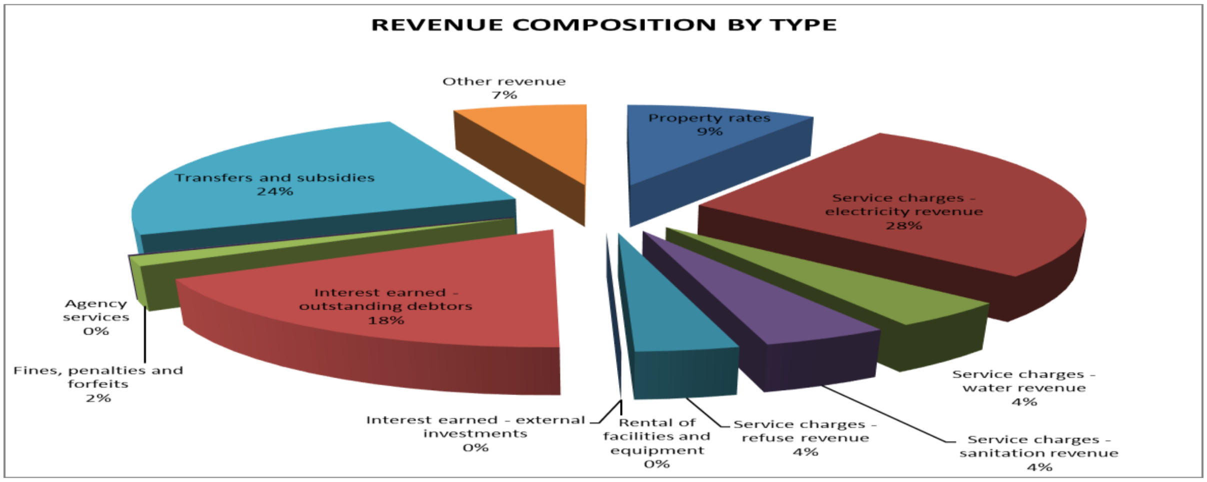
Operating Revenue Budget

The total original revenue budget is allocated an amount of R 471 702 000 for the 2025/26 financial year. For the period ending 31 December 2025, a total of R 211 439 000 or 45% has been recognized which is less than the expected norm of 50% as at the 6th month of the financial year. See the below table for details on the operating revenue budget.

NW396 Lekwa-Teemane - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		105 403	136 454	–	10 046	58 484	68 227	(9 743)	-14%	136 454
Service charges - Water		16 779	27 574	–	1 198	9 216	13 787	(4 570)	-33%	27 574
Service charges - Waste Water Management		18 211	17 761	–	1 593	9 553	8 880	673	8%	17 761
Service charges - Waste management		14 898	13 904	–	1 310	7 854	6 952	902	13%	13 904
Sale of Goods and Rendering of Services		1 473	712	–	19	334	356	(22)	-6%	712
Agency services		2 542	4 499	–	–	(97)	2 249	(2 347)	-104%	4 499
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		67 198	56 705	–	6 502	37 942	28 353	9 589	34%	56 705
Interest from Current and Non Current Assets		13	–	–	–	–	–			–
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		278	18	–	1	12	9	3	35%	18
Licence and permits		–	–	–	–	–	–	–		–
Special rating levies		–	–	–	–	–	–	–		–
Operational Revenue		421	107	–	0	1	53	(52)	-98%	107
Non-Exchange Revenue		–	–	–	–	–	–	–		–
Property rates		35 320	54 064	–	3 263	19 656	27 032	(7 376)	-27%	54 064
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		79 445	5 737	–	538	3 321	2 868	453		5 737
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		77 006	75 577	–	20 581	51 706	37 789	13 918		75 577
Interest		25 493	22 173	–	2 272	13 457	11 086	2 371		22 173
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		–	–	–	–	–	–	–		–
Other Gains		33 600	56 419	–	–	–	28 209	(28 209)		56 419
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**478 081**	**471 702**	**–**	**47 324**	**211 439**	**235 851**	**(24 412)**	**-10%**	**471 702**

The graph below shows revenue composition per source as a percentage of the total revenue billed for the period of July to December 2025.



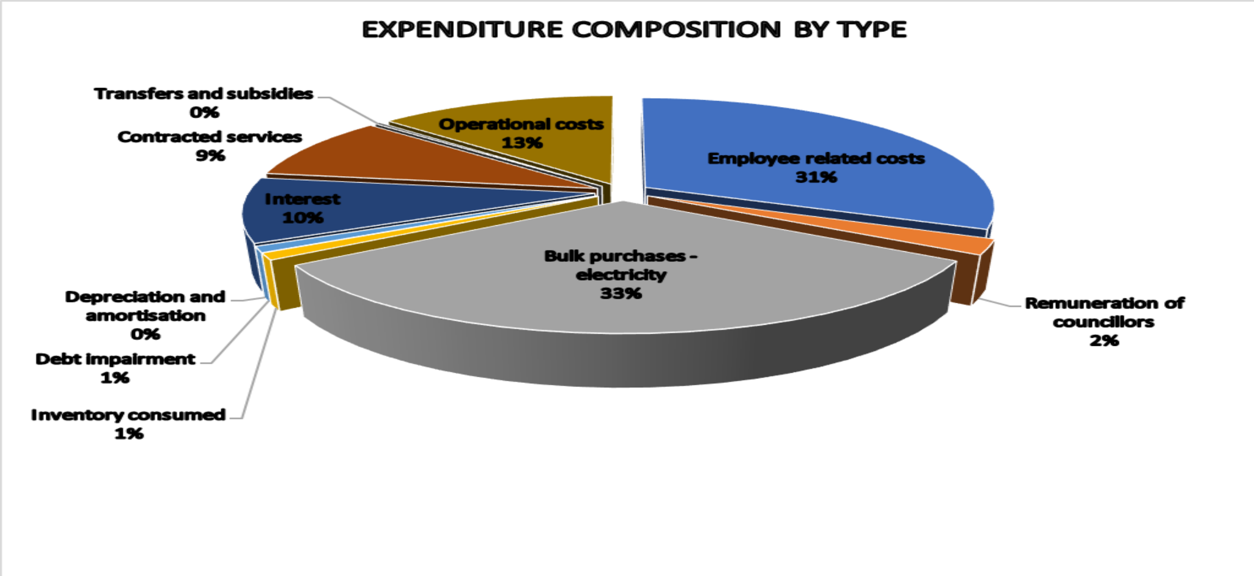
Operating Expenditure Budget

The original operating expenditure budget for the current year is R 403 386 000. To date, the total amount spent on the operating budget is R 161 169 000 or 40% of the original operating budget, which is 10% less than the expected norm of 50% as at the 6th month of the financial year. Bulk Purchases contributed mainly by 33% of the total spent followed by Employee related cost at 31%. See below table for details of the operating expenditure.

NW396 Lekwa-Teemane - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure By Type										
Employee related costs		95 302	107 815	–	8 171	50 197	53 908	(3 711)	-7%	107 815
Remuneration of councillors		7 046	8 182	–	1 188	3 607	4 091	(484)	-12%	8 182
Bulk purchases - electricity		90 408	74 356	–	15 050	52 576	37 178	15 397		74 356
Inventory consumed		2 744	1 063	–	147	1 577	532	1 046		1 063
Debt impairment		–	124 878	–	–	–	62 439	(62 439)	-100%	124 878
Depreciation and amortisation		26 204	33 024	–	–	–	16 512	(16 512)	-100%	33 024
Interest		19 367	2 300	–	5 515	15 298	1 150	14 148	1230%	2 300
Contracted services		34 776	34 930	–	5 446	14 996	17 465	(2 469)	-14%	34 930
Transfers and subsidies		2 957	1 200	–	83	447	290	157	54%	1 000
Irrecoverable debts written off		166 569	–	–	168	1 397	–	1 397		–
Operational costs		33 856	15 637	–	6 490	21 074	8 255	12 820	155%	15 637
Losses on Disposal of Assets		–	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**479 228**	**403 386**	–	**42 257**	**161 169**	**201 819**	**(40 650)**	**-20%**	**403 186**

The graph below shows expenditure composition per category as a percentage of the total expenditure incurred for the period of July to December 2025.



Capital Revenue Budget

The Original capital budget for the financial year 2025/26 is R 21 092 600. See below the table below for details.

Capital Revenue Budget			
Description	Budget	Received	Variance
Municipal Infrastructure grant (less 5% of operations)	R 16 482 600	R 13 528 000	R 2 954 600
Energy Efficiency and Demand Side Management Grant	R 4 000 000	R 2 000 000	R 2 000 000
Provincial Government (Library)	R 510 000	R 510 000	R 0
Internally Generated Funds	R 100 0000	R 100 000	R 0
Total	**R 21 092 600**	**R 16 138 000**	**R 4 954 600**

Capital Expenditure

The table below shows capital expenditure per vote or department. To date the municipality has spent 74 % or R 15 692 663 excl VAT of the original budget. The R340 thousand spent on internal funds was for the transformer and furniture. See below details on capital spending.

	Capital Revenue Budget			
Description	Budget	Received	Spent	Variance
Municipal Infrastructure grant (less 5% of operations)	R 16 482 600	R 13 528 000	R 13 873 094	R -345 094
Energy Efficiency and Demand Side Management Grant	R 4 000 000	R 2 000 000	R 1 479 320	R 520 680
Provincial Government (Library)	R 510 000	R 510 000	R 0	R 0
Internally Generated Funds	R 100 0000	R100 000	R 340 249	R 0
Total	**R 21 092 600**	**R 16 138 000**	**R 15 692 663**	**R 175 586**

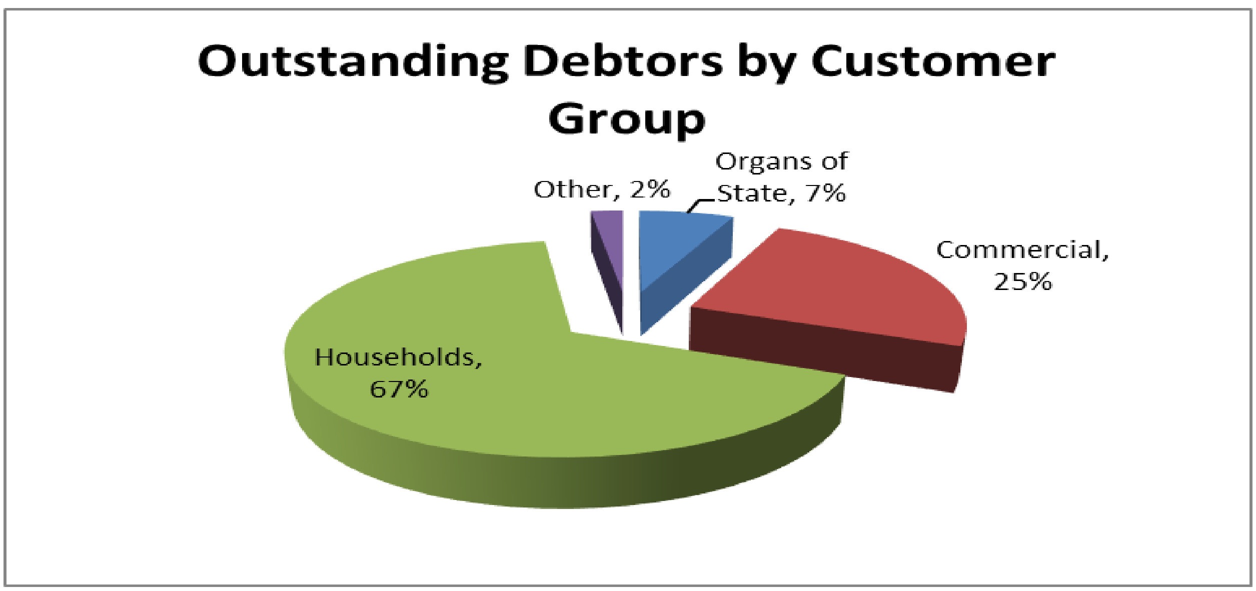
Debtors Ageing

The total debtors book as at end of December 2025 amounts to R 1 397 534 with the majority of the debt being owed by households at 67% of the total.

NW396 Lekwa-Teemane - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description R thousands	NT Code	Budget Year 2025/26 0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	1 071	3 089	2 119	2 017	2 364	1 624	8 115	154 484	174 883	168 604	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	9 701	7 001	6 513	5 026	6 527	4 888	29 809	199 799	269 264	246 049	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	3 262	2 554	2 447	2 488	2 402	2 310	14 269	93 256	122 988	114 725	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	1 828	3 353	3 222	3 090	2 912	2 745	12 037	127 047	156 235	147 831	–	–
Receivables from Exchange Transactions - Waste Management	1600	1 509	2 822	2 711	2 575	2 419	2 186	9 838	97 385	121 445	114 403	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	57	57	57	–	–
Interest on Arrear Debtor Accounts	1810	8 774	8 651	8 559	8 439	8 326	8 235	54 361	447 328	552 672	526 689	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	–	–	–	(0)	2	–	–	(12)	(10)	(10)	–	–
Total By Income Source	**2000**	**26 146**	**27 470**	**25 572**	**23 635**	**24 952**	**21 987**	**128 430**	**1 119 343**	**1 397 534**	**1 318 346**	**–**	**–**
2024/25 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 448	2 207	2 303	2 203	2 056	1 805	12 494	66 766	92 281	85 323	–	–
Commercial	2300	9 939	7 732	7 310	5 736	6 256	5 904	37 385	263 635	343 897	318 916	–	–
Households	2400	11 920	16 083	14 842	14 506	14 037	13 318	73 280	772 163	930 149	887 303	–	–
Other	2500	1 839	1 449	1 117	1 189	2 604	960	5 272	16 779	31 207	26 803	–	–
Total By Customer Group	**2600**	**26 146**	**27 470**	**25 572**	**23 635**	**24 952**	**21 987**	**128 430**	**1 119 343**	**1 397 534**	**1 318 346**	**–**	**–**

The graph below shows outstanding debtors per category as a percentage of the total debtors outstanding for the period July to December 2025.



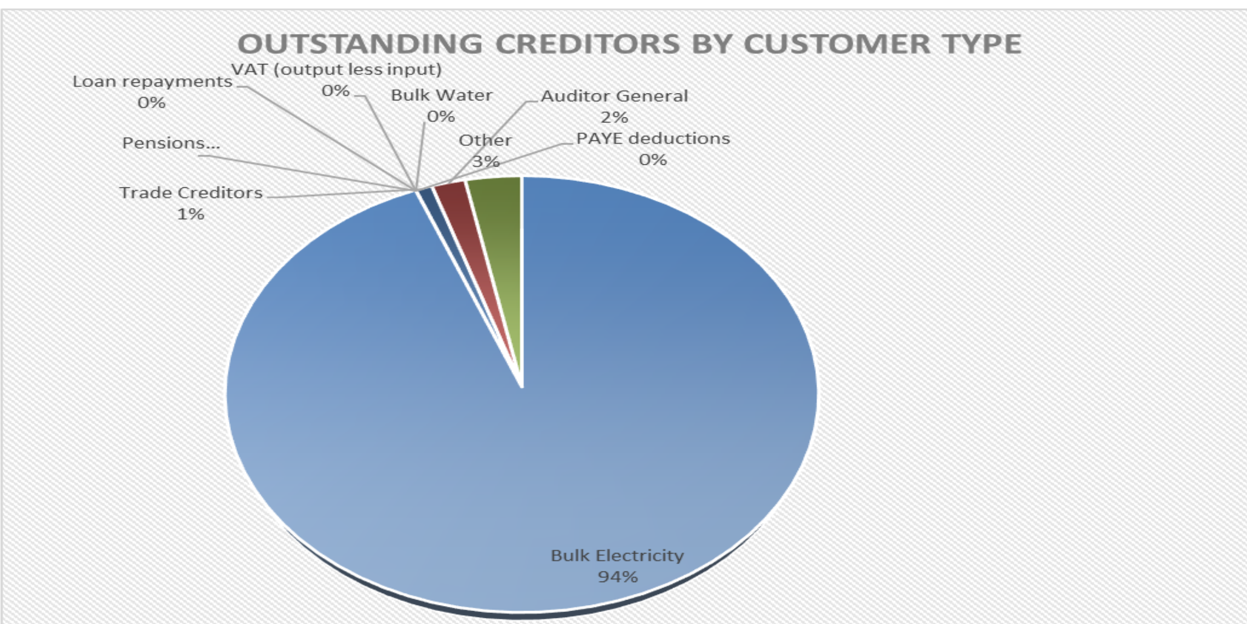
Creditors Ageing

NW396 Lekwa-Teemane - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description R thousands	NT Code	Budget Year 2025/26 0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	16 479	(500)	10 915	25 216	–	7 255	58 551	299 705	**417 620**
Bulk Water	0200	–	–	–	–	–	–	–	0	**0**
PAYE deductions	0300	–	–	–	–	–	–	–	–	**–**
VAT (output less input)	0400	(1 312)	277	187	(277)	125	(321)	1 266	–	**(55)**
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	**–**
Loan repayments	0600	–	–	–	–	–	–	–	–	**–**
Trade Creditors	0700	118	(910)	(655)	132	(2 292)	(950)	4 183	4 510	**4 137**
Auditor General	0800	3 489	(600)	(600)	1 563	(500)	(2 500)	6 923	664	**8 439**
Other	0900	1 138	(6 520)	(2 103)	4 133	(779)	(6 577)	(3 927)	28 741	**14 106**
Medical Aid deductions	0950	–	–	–	–	–	–	–	–	**–**
Total By Customer Type	**1000**	**19 913**	**(8 253)**	**7 744**	**30 767**	**(3 447)**	**(3 093)**	**66 997**	**333 620**	**444 247**

Total money that the municipality owes to creditors / service providers amounts to R 444 247 000. Majority of the debt is owed to Eskom at 94% and other creditor at 3% of the total debt.

The graph below shows creditors per category as a percentage of the total creditors outstanding for the period July to December 2025.



1.5 In year Budget statement tables

1.4.1 Table C1: Monthly Budget Statement Summary

NW396 Lekwa-Teemane - Table C1 Monthly Budget Statement Summary - M06 December									
Description	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	35 320	54 064	–	3 263	19 656	27 032	(7 376)	-27%	54 064
Service charges	155 291	195 692	–	14 146	85 107	97 846	(12 739)	-13%	195 692
Investment revenue	13	–	–	–	–	–	–		–
Transfers and subsidies - Operational	77 006	75 577	–	20 581	51 706	37 789	13 918	37%	75 577
Other own revenue	210 452	146 368	–	9 333	54 970	73 184	(18 214)	-25%	146 368
Total Revenue (excluding capital transfers and contributions)	**478 081**	**471 702**	**–**	**47 324**	**211 439**	**235 851**	**(24 412)**	**-10%**	**471 702**
Employee costs	95 302	107 815	–	8 171	50 197	53 908	(3 711)		107 815
Remuneration of Councillors	7 046	8 182	–	1 188	3 607	4 091	(484)		8 182
Depreciation and amortisation	26 204	33 024	–	–	–	16 512	(16 512)		33 024
Interest	19 367	2 300	–	5 515	15 298	1 150	14 148		2 300
Inventory consumed and bulk purchases	93 151	75 420	–	15 196	54 153	37 710	16 443		75 420
Transfers and subsidies	2 957	1 200	–	83	447	290	157	54%	1 000
Other expenditure	235 201	175 445	–	12 104	37 467	88 159	(50 691)	-57%	175 445
Total Expenditure	**479 228**	**403 386**	**–**	**42 257**	**161 169**	**201 819**	**(40 650)**	**-20%**	**403 186**
Surplus/(Deficit)	**(1 146)**	**68 316**	**–**	**5 067**	**50 271**	**34 032**	**16 239**	**48%**	**68 516**
Transfers and subsidies - capital (monetary allocations)	32 475	20 993	–	2 554	15 990	10 496	5 494	52%	20 993
Transfers and subsidies - capital (in-kind)	376	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**31 705**	**89 309**	**–**	**7 621**	**66 261**	**44 528**	**21 732**	**49%**	**89 509**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**31 705**	**89 309**	**–**	**7 621**	**66 261**	**44 528**	**21 732**	**49%**	**89 509**
Capital expenditure & funds sources									
Capital expenditure	**32 043**	**21 093**	**–**	**2 685**	**13 690**	**10 546**	**3 144**	**30%**	**21 093**
Capital transfers recognised	4 857	20 993	–	2 574	13 350	10 496	2 854	27%	20 993
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**26 753**	**100**	**–**	**111**	**340**	**50**	**290**	**581%**	**100**
Total sources of capital funds	**31 610**	**21 093**	**–**	**2 685**	**13 690**	**10 546**	**3 144**	**30%**	**21 093**
Financial position									
Total current assets	518 138	289 268	–		632 933				289 268
Total non current assets	881 540	828 296	–		896 237				828 296
Total current liabilities	716 119	840 618	–		779 526				840 618
Total non current liabilities	20 382	(73 792)	–		20 382				(73 792)
Community wealth/Equity	**663 177**	**350 538**	**–**		**729 263**				**350 738**
Cash flows									
Net cash from (used) operating	31 587	14 995	–	933	13 858	16 680	2 822	17%	14 995
Net cash from (used) investing	175 834	(21 108)	–	(2 960)	(16 765)	(10 554)	6 211	-59%	(21 108)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**207 421**	**2 857**	**–**	**6 530**	**6 530**	**15 096**	**8 566**	**57%**	**–**

Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	26 146	27 470	25 572	23 635	24 952	21 987	128 430	1 119 343	1 397 534
Creditors Age Analysis									
Total Creditors	19 913	(8 253)	7 744	30 767	(3 447)	(3 093)	66 997	333 620	444 247

The budget statement summary table provides a high-level overview of the financial performance & position, capital spending by source of funding, cash flow as well as debtors and creditors age analysis. Detailed information regarding the above can be found in the tables below.

1.4.2 Table C2: Monthly Budget Statement – Financial Performance by Standard Classification

NW396 Lekwa-Teemane - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		**266 736**	**157 078**	**–**	**36 089**	**102 109**	**78 539**	23 570	30%	**157 078**
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		266 736	157 078	–	36 089	102 109	78 539	23 570	30%	157 078
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**1 975**	**2 412**	**–**	**206**	**543**	**1 206**	(663)	-55%	**2 412**
Community and social services		775	1 057	–	8	39	528	(490)	-93%	1 057
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		1 200	1 355	–	199	504	678	(173)	-26%	1 355
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**3 070**	**20 975**	**–**	**15**	**74**	**10 488**	(10 413)	-99%	**20 975**
Planning and development		–	863	–	–	–	432	(432)	-100%	863
Road transport		3 070	20 112	–	15	74	10 056	(9 982)	-99%	20 112
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**239 152**	**312 230**	**–**	**22 127**	**124 528**	**156 115**	**(31 587)**	-20%	**312 230**
Energy sources		141 702	215 369	–	13 939	73 825	107 684	(33 859)	-31%	215 369
Water management		34 907	44 711	–	2 764	18 496	22 356	(3 859)	-17%	44 711
Waste water management		36 580	29 308	–	3 010	17 765	14 654	3 111	21%	29 308
Waste management		25 962	22 841	–	2 414	14 441	11 421	3 021	26%	22 841
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**510 933**	**492 695**	**–**	**58 438**	**227 254**	**246 347**	**(19 093)**	**-8%**	**492 695**
Expenditure - Functional										
Governance and administration		**304 767**	**233 913**	**–**	**22 643**	**80 769**	**117 182**	(36 414)	-31%	**233 913**
Executive and council		24 321	33 998	–	7 263	17 413	17 095	318	2%	33 998
Finance and administration		280 446	199 914	–	15 379	63 356	100 087	(36 732)	-37%	199 914
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**5 830**	**6 809**	**–**	**329**	**1 617**	**3 405**	(1 788)	-53%	**6 809**
Community and social services		4 369	2 789	–	328	1 587	1 395	192	14%	2 789
Sport and recreation		1 436	3 507	–	–	–	1 753	(1 753)	-100%	3 507
Public safety		15	100	–	1	20	50	(30)	-60%	100
Housing		10	413	–	–	10	207	(197)	-95%	413
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**33 700**	**35 880**	**–**	**1 805**	**11 400**	**17 940**	(6 540)	-36%	**35 880**
Planning and development		1 112	500	–	156	574	250	324	130%	500
Road transport		32 588	35 380	–	1 649	10 826	17 690	(6 863)	-39%	35 380
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**134 930**	**126 785**	**–**	**17 480**	**67 383**	**63 292**	**4 091**	6%	**126 585**
Energy sources		107 905	99 993	–	15 634	55 643	49 996	5 647	11%	99 993
Water management		8 535	10 744	–	472	2 799	5 372	(2 573)	-48%	10 744
Waste water management		4 677	1 750	–	275	2 198	875	1 323	151%	1 750
Waste management		13 813	14 298	–	1 100	6 744	7 049	(305)	-4%	14 098
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**479 228**	**403 386**	**–**	**42 257**	**161 169**	**201 819**	**(40 650)**	**-20%**	**403 186**
Surplus/ (Deficit) for the year		**31 705**	**89 309**	**–**	**16 181**	**66 085**	**44 528**	**21 557**	**48%**	**89 509**

Table C2 reflects the financial performance in the standard classifications required by Government Finance Statistics Function and Sub-Functions. The table shows that most of the municipality's funds are received under Governance and Administration function, and this is because the municipality budgets for most of its income under Finance and Administration of the Government Financial Statistics classification.

Revenue

Total revenue recorded for the 2025/26 financial year is an amount of R 227 254 000 of the budgeted R 492 695 000 has been recognized for the period ending 31st December 2025.

Expenditure

The total original budget for the 2025/26 financial year is an amount of R 403 386 000 and to date a total of R 161 169 000 or 40% has been spent as at 31st of December 2025.

1.4.3 Table C3: Monthly Budget Statement - Financial Performance by municipal vote.

NW396 Lekwa-Teemane - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - Municipal Manager and council		–	–	–	–	–	–	–		–
Vote 2 - Corporate Services		(1 109)	–	–	–	–	–	–		–
Vote 3 - Budget and Treasury Office / Finance		267 845	157 078	–	36 089	102 109	78 539	23 570	30.0%	157 078
Vote 4 - Community Services		31 007	28 882	–	2 636	15 058	14 441	617	4.3%	28 882
Vote 5 - Technical Services		213 190	306 734	–	19 713	110 087	153 367	(43 280)	-28.2%	306 734
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–		–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**510 933**	**492 695**	**–**	**58 438**	**227 254**	**246 347**	**(19 093)**	**-7.8%**	**492 695**
Expenditure by Vote	1									
Vote 1 - Municipal Manager and council		24 326	34 498	–	7 263	17 436	17 345	91	0.5%	34 498
Vote 2 - Corporate Services		46 660	34 599	–	4 187	17 554	17 430	124	0.7%	34 599
Vote 3 - Budget and Treasury Office / Finance		233 787	165 315	–	11 193	45 802	82 658	(36 856)	-44.6%	165 315
Vote 4 - Community Services		31 007	34 088	–	2 210	14 095	17 044	(2 949)	-17.3%	34 088
Vote 5 - Technical Services		143 448	134 685	–	17 404	66 282	67 343	(1 060)	-1.6%	134 685
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–		–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**479 228**	**403 186**	**–**	**42 257**	**161 169**	**201 819**	**(40 650)**	**-20.1%**	**403 186**
Surplus/ (Deficit) for the year	2	**31 705**	**89 509**	**–**	**16 181**	**66 085**	**44 528**	**21 557**	**48.4%**	**89 509**

Reporting per municipal vote provides details on the spread of revenue and expenditure over the various functions of the municipality as required by Government Financial Statistics of the National Treasury.

Expenditure per municipal vote is distributed to ensure that the municipal expenditure reflects the functions where the expenditure is allocated. This is done to ensure implementation of the IDP through SDBIP.

Expenditure by Vote or Department

The narrations below indicate how individual departments have performed in relation to the expected spending of 50% for the first half of the financial year, 31st December 2025.

Vote 1 – Executive and Council.

Vote 1 has spent total of R 17 436 000 or 51% of the budgeted R 34 498 000 for the period ending 31st December 2025.

Vote 2 – Corporate Services.

Corporate Services has spent by R 17 554 000 or 51% of the original budget of R 34 599 000 for the period ending 31st December 2025.

Vote 3 – Budget and Treasury Office / Finance.

Budget and Treasury Office have spent R 45 802 000 or 28% of the budget of R 165 315 000 for the period ending 31st December 2025. The R 165 315 000 budget for finance includes non-cash items such as depreciation and debt impairment.

Vote 4 – Community and Social Services.

Community and Social Services has spent R 14 095 000 or 41% of the budgeted R 34 088 000 for the period ending 31st December 2025.

Vote 5 – Technical Service

Technical Services has spent R 66 282 000 or 49% of the budgeted R 134 685 000 for the period ending 31st December 2025.

1.4.4 Table C4: Monthly Budget Statement - Financial Performance (revenue and expenditure)

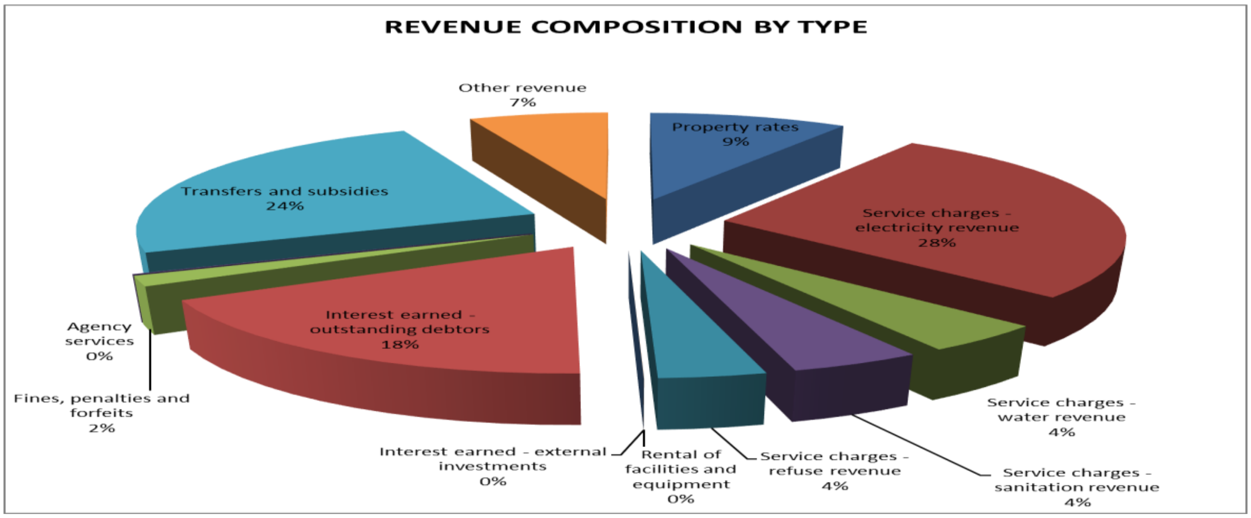
NW396 Lekwa-Teemane - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description R thousands	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		105 403	136 454	–	10 046	58 484	68 227	(9 743)	-14%	136 454
Service charges - Water		16 779	27 574	–	1 198	9 216	13 787	(4 570)	-33%	27 574
Service charges - Waste Water Management		18 211	17 761	–	1 593	9 553	8 880	673	8%	17 761
Service charges - Waste management		14 898	13 904	–	1 310	7 854	6 952	902	13%	13 904
Sale of Goods and Rendering of Services		1 473	712	–	19	334	356	(22)	-6%	712
Agency services		2 542	4 499	–	–	(97)	2 249	(2 347)	-104%	4 499
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		67 198	56 705	–	6 502	37 942	28 353	9 589	34%	56 705
Interest from Current and Non Current Assets		13	–	–	–	–	–			–
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		278	18	–	1	12	9	3	35%	18
Licence and permits		–	–	–	–	–	–	–		–
Special rating levies		–	–	–	–	–	–	–		–
Operational Revenue		421	107	–	0	1	53	(52)	-98%	107
Non-Exchange Revenue		–	–	–	–	–	–	–		–
Property rates		35 320	54 064	–	3 263	19 656	27 032	(7 376)	-27%	54 064
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		79 445	5 737	–	538	3 321	2 868	453		5 737
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		77 006	75 577	–	20 581	51 706	37 789	13 918		75 577
Interest		25 493	22 173	–	2 272	13 457	11 086	2 371		22 173
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		–	–	–	–	–	–	–		–
Other Gains		33 600	56 419	–	–	–	28 209	(28 209)		56 419
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**478 081**	**471 702**	**–**	**47 324**	**211 439**	**235 851**	**(24 412)**	**-10%**	**471 702**
Expenditure By Type										
Employee related costs		95 302	107 815	–	8 171	50 197	53 908	(3 711)	-7%	107 815
Remuneration of councillors		7 046	8 182	–	1 188	3 607	4 091	(484)	-12%	8 182
Bulk purchases - electricity		90 408	74 356	–	15 050	52 576	37 178	15 397		74 356
Inventory consumed		2 744	1 063	–	147	1 577	532	1 046		1 063
Debt impairment		–	124 878	–	–	–	62 439	(62 439)	-100%	124 878
Depreciation and amortisation		26 204	33 024	–	–	–	16 512	(16 512)	-100%	33 024
Interest		19 367	2 300	–	5 515	15 298	1 150	14 148	1230%	2 300
Contracted services		34 776	34 930	–	5 446	14 996	17 465	(2 469)	-14%	34 930
Transfers and subsidies		2 957	1 200	–	83	447	290	157	54%	1 000
Irrecoverable debts written off		166 569	–	–	168	1 397	–	1 397		–
Operational costs		33 856	15 637	–	6 490	21 074	8 255	12 820	155%	15 637
Losses on Disposal of Assets		–	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**479 228**	**403 386**	**–**	**42 257**	**161 169**	**201 819**	**(40 650)**	**-20%**	**403 186**
Surplus/(Deficit)		**(1 146)**	**68 316**	**–**	**5 067**	**50 271**	**34 032**	**16 239**	**0**	**68 516**
Transfers and subsidies - capital (monetary allocations)		32 475	20 993	–	2 554	15 990	10 496	5 494	0	20 993
Transfers and subsidies - capital (in-kind)		376	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**31 705**	**89 309**	**–**	**7 621**	**66 261**	**44 528**			**89 509**
Income Tax		–	–	–	–	–	–			–
Surplus/(Deficit) after income tax		**31 705**	**89 309**	**–**	**7 621**	**66 261**	**44 528**			**89 509**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**31 705**	**89 309**	**–**	**7 621**	**66 261**	**44 528**			**89 509**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**31 705**	**89 309**	**–**	**7 621**	**66 261**	**44 528**			**89 509**

The total operating revenue original budget (excluding capital transfers) for 2025/26 financial year totals R 471 702 000. Revenue performance (recognized) for the period ending 31

December 2025 is an amount of R 211 439 000 excluding capital grants, which is 45% of the total operating revenue budget. This amount is made amount relates to property rates, service charges, interest on outstanding debtors, fines, licenses and permits, government grants (excluding capital transfers) and sundry income.

The graph below shows revenue composition per source as a percentage of the total revenue billed for the period July to December 2025.



Expenditure by Type

Expenditure by type reflects the operational adjustment budget per main type/category of expenditure:

Employee Related Cost / Remuneration of Councilors – As at 31st December 2025, employee costs amounted to R 53 803 000 or 46% of the original budget of R 115 997 000.

Finance Charges **–** a total of R 15 298 000 or 665% was spent on the original budget of R 2 300 000 for finance charges. And mostly relates to the Eskom bulk account interest.

Bulk Purchases – amount spent on bulk expenditure is R 52 576 000 or 71% was spent on the budgeted R 74 356 000.

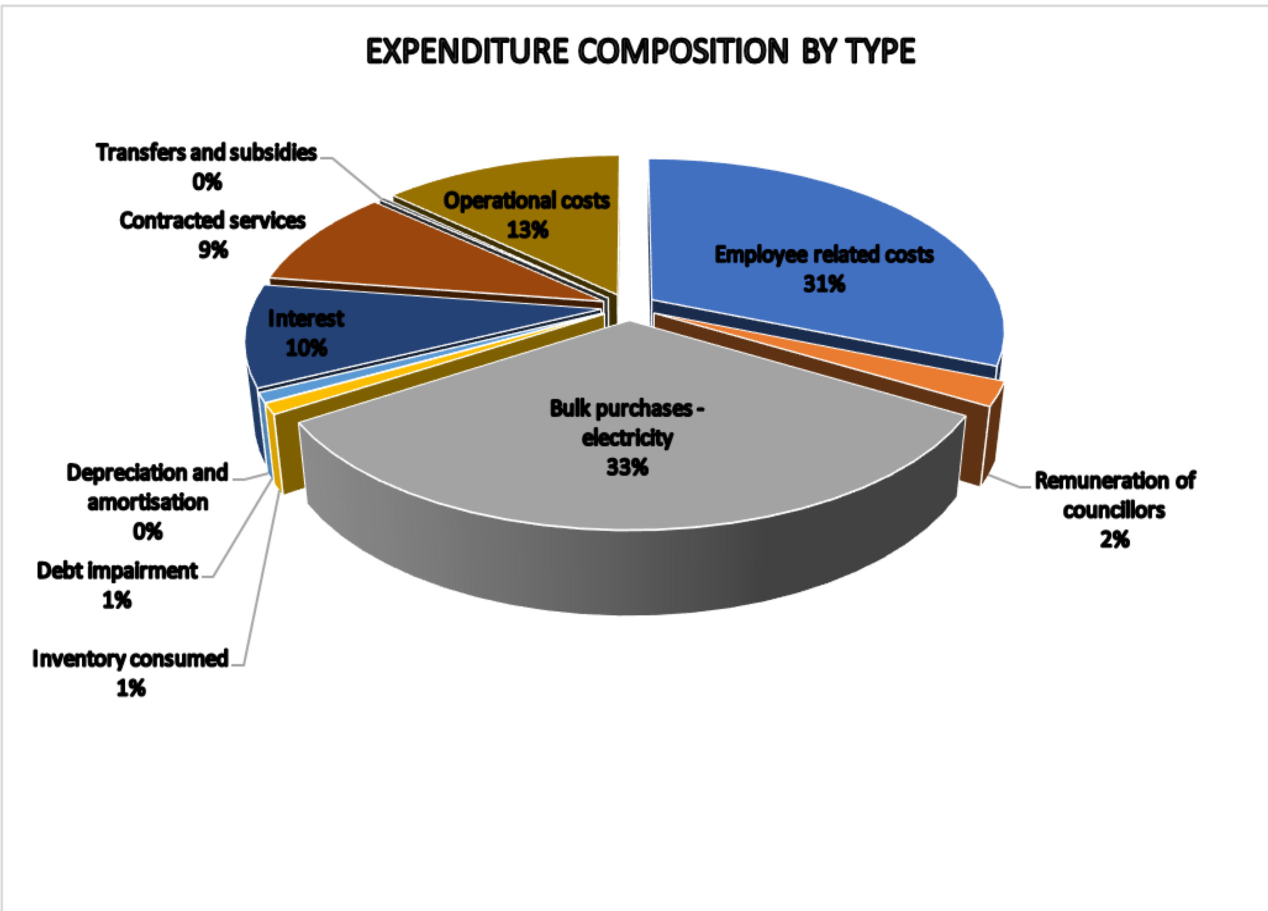
Inventory Consumed – a total of R 1 577 000 or 148% was spent on the budgeted R 1 063 000.

Contracted Services – Contracted services spent an amount of R 14 996 000 or 43% of the budgeted R 34 930 000.

Operational costs – Other general expenditure spent R 21 074 000 or 135% of the budgeted R 15 637 000

Transfers and subsidies – Grant expenditure allocated to development agency spent R 447 000 or 37% of the budgeted R 1 200 000.

The graph below shows expenditure composition per category as a percentage of the total expenditure incurred for the period July to December 2025.



1.4.5 Table C5: Monthly Budget Statement – Capital Expenditure (Municipal vote, standard classification and funding)

Capital Budget

The capital budget was allocated a total of R 21 093 000 and spent R 13 690 000 (excluding VAT) of the budget for the period ending 31st December 2025. This amount includes government grants meant for capital expenditure such as the Municipal Infrastructure Grant.

NW396 Lekwa-Teemane - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital Expenditure - Functional Classification										
Governance and administration		25 916	–	–	111	331	–	331	#DIV/0!	–
Executive and council		28	–	–	–	–	–	–		–
Finance and administration		25 888	–	–	111	331	–	331	#DIV/0!	–
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		4 815	5 882	–	495	3 171	2 941	229	8%	5 882
Community and social services		26	3 446	–	–	9	1 723	(1 714)	-99%	3 446
Sport and recreation		4 697	2 336	–	495	3 162	1 168	1 994	171%	2 336
Public safety		93	100	–	–	–	50	(50)	-100%	100
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		(10 937)	11 210	–	2 079	8 902	5 605	3 297	59%	11 210
Planning and development		–	–	–	–	–	–	–		–
Road transport		(10 937)	11 210	–	2 079	8 902	5 605	3 297	59%	11 210
Environmental protection		–	–	–	–	–	–	–		–
Trading services		12 249	4 000	–	–	1 286	2 000	(714)	-36%	4 000
Energy sources		11 530	4 000	–	–	1 286	2 000	(714)	-36%	4 000
Water management		–	–	–	–	–	–	–		–
Waste water management		718	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	32 043	21 093	–	2 685	13 690	10 546	3 144	30%	21 093
Funded by:										
National Government		4 857	20 483	–	2 574	13 350	10 241	3 109	30%	20 483
Provincial Government		–	510	–	–	–	255	(255)	-100%	510
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–		–
Transfers recognised - capital		4 857	20 993	–	2 574	13 350	10 496	2 854	27%	20 993
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		26 753	100	–	111	340	50	290	581%	100
Total Capital Funding		31 610	21 093	–	2 685	13 690	10 546	3 144	30%	21 093

The actual capital spending for the financial year amounts to R 13 690 000 of the budgeted R 21 093 000. This is in relation to IDP projects financed through conditional grants from National Government, namely, the MIG and Provincial Municipal infrastructure which is allocated to Technical Services department for projects implementation.

1.4.6 Table C6 Monthly Budget Statement – Financial Position

NW396 Lekwa-Teemane - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		24 048	2 857	–	18 344	2 857
Trade and other receivables from exchange transactions		240 874	150 903	–	328 030	150 903
Receivables from non-exchange transactions		67 935	109 875	–	89 358	109 875
Current portion of non-current receivables		–	–	–	–	–
Inventory		613	(159)	–	613	(159)
VAT		167 299	25 792	–	179 848	25 792
Other current assets		17 369	–	–	16 740	–
Total current assets		**518 138**	**289 268**	**–**	**632 933**	**289 268**
Non current assets						
Investments		70	–	–	70	–
Investment property		528 910	493 824	–	528 910	493 824
Property, plant and equipment		351 679	333 329	–	366 377	333 329
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		170	170	–	170	170
Intangible assets		92	290	–	92	290
Trade and other receivables from exchange transactions		599	599	–	599	599
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		20	84	–	20	84
Total non current assets		**881 540**	**828 296**	**–**	**896 237**	**828 296**
TOTAL ASSETS		**1 399 678**	**1 117 564**	**–**	**1 529 170**	**1 117 564**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		2 649	(2 348)	–	2 649	(2 348)
Consumer deposits		1 851	(1 807)	–	1 855	(1 807)
Trade and other payables from exchange transactions		461 208	854 209	–	506 455	854 209
Trade and other payables from non-exchange transactions		4 225	–	–	12 061	–
Provision		23 562	(3 266)	–	23 562	(3 266)
VAT		222 624	(6 170)	–	232 944	(6 170)
Other current liabilities		–	–	–	–	–
Total current liabilities		**716 119**	**840 618**	**–**	**779 526**	**840 618**
Non current liabilities						
Financial liabilities		–	(33 699)	–	–	(33 699)
Provision		20 382	(16 377)	–	20 382	(16 377)
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	(23 715)	–	–	(23 715)
Total non current liabilities		**20 382**	**(73 792)**	**–**	**20 382**	**(73 792)**
TOTAL LIABILITIES		**736 501**	**766 827**	**–**	**799 908**	**766 827**
NET ASSETS	2	**663 177**	**350 738**	**–**	**729 263**	**350 738**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		663 177	350 538	–	729 263	350 738
Reserves and funds		–	–	–	–	–
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	**663 177**	**350 538**	**–**	**729 263**	**350 738**

A statement of financial position is used to provide an overview of an institution's financial position at a given point in time in terms of financial stability and potential risk. It includes items such as assets, liabilities and equity. According to the statement attached, community wealth or equity is at an amount of R 729 263 000, which is calculated as a balance of assets less liabilities and the results can be interpreted as favorable since the municipality has enough assets to cover liabilities.

1.4.7 Table C7: Monthly Budget Statement – Cash Flow

NW396 Lekwa-Teemane - Table C7 Monthly Budget Statement - Cash Flow - M06 December										
		2024/25	Budget Year 2025/26							
Description R thousands	Ref 1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		(16 495)	32 439	–	3 989	14 096	16 219	(2 123)	-13%	32 439
Service charges		(65 464)	137 743	–	8 635	49 092	68 872	(19 780)	-29%	137 743
Other revenue		84 160	11 202	–	1	1 697	5 601	(3 904)	-70%	11 202
Transfers and Subsidies - Operational		29 101	75 577	–	20 290	58 247	37 789	20 458	54%	75 577
Transfers and Subsidies - Capital		–	20 993	–	2 554	16 500	10 496	6 004	57%	20 993
Interest		92 705	–	–	–	–	–	–		–
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(92 420)	(259 659)	–	(34 370)	(125 091)	(121 647)	3 444	-3%	(259 659)
Interest		–	(2 300)	–	–	–	(1 150)	(1 150)	100%	(2 300)
Transfers and Subsidies		–	(1 000)	–	(165)	(683)	500	1 183	237%	(1 000)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**31 587**	**14 995**	**–**	**933**	**13 858**	**16 680**	**2 822**	**17%**	**14 995**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		175 834	(21 108)	–	(2 960)	(16 765)	(10 554)	6 211	-59%	(21 108)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**175 834**	**(21 108)**	**–**	**(2 960)**	**(16 765)**	**(10 554)**	**6 211**	**-59%**	**(21 108)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**207 421**	**(6 112)**	**–**	**(2 026)**	**(2 907)**	**6 126**			**–**
Cash/cash equivalents at beginning:		0	8 970	–	5 599	9 437	8 970			9 437
Cash/cash equivalents at month/year end:		207 421	2 857	–	6 530	6 530	15 096			–

Opening balance at the beginning was an amount of R 5 599 000, deposits made on the municipal account for the year to date amounted to R 139 632 000, total payments to date amounts to R 142 539 000 resulting with a balance of R 6 530 000 for the period ending 31st December 2025. Revenue collected is in relation to property rates, service charges, government grants, interest and sundry.

PART 2 – SUPPORTING DOCUMENTATION

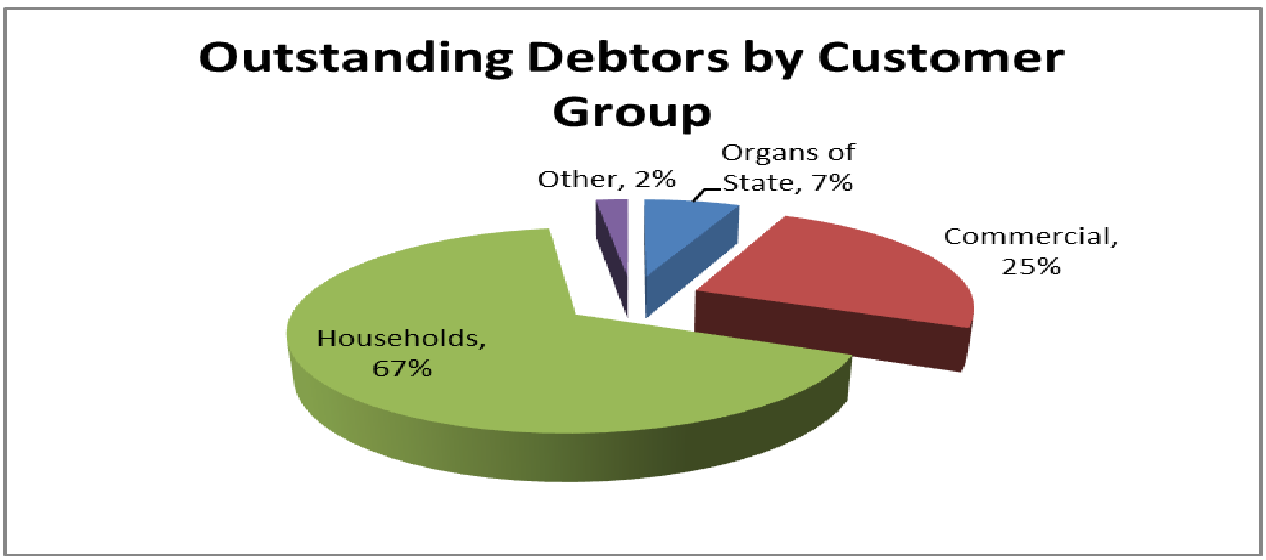
2.1 Debtors' Age Analysis

NW396 Lekwa-Teemane - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2025/26											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	1 071	3 089	2 119	2 017	2 364	1 624	8 115	154 484	174 883	168 604	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	9 701	7 001	6 513	5 026	6 527	4 888	29 809	199 799	269 264	246 049	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	3 262	2 554	2 447	2 488	2 402	2 310	14 269	93 256	122 988	114 725	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	1 828	3 353	3 222	3 090	2 912	2 745	12 037	127 047	156 235	147 831	–	–
Receivables from Exchange Transactions - Waste Management	1600	1 509	2 822	2 711	2 575	2 419	2 186	9 838	97 385	121 445	114 403	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	57	57	57	–	–
Interest on Arrear Debtor Accounts	1810	8 774	8 651	8 559	8 439	8 326	8 235	54 361	447 328	552 672	526 689	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	–	–	–	(0)	2	–	–	(12)	(10)	(10)	–	–
Total By Income Source	**2000**	**26 146**	**27 470**	**25 572**	**23 635**	**24 952**	**21 987**	**128 430**	**1 119 343**	**1 397 534**	**1 318 346**	**–**	**–**
2024/25 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 448	2 207	2 303	2 203	2 056	1 805	12 494	66 766	92 281	85 323	–	–
Commercial	2300	9 939	7 732	7 310	5 736	6 256	5 904	37 385	263 635	343 897	318 916	–	–
Households	2400	11 920	16 083	14 842	14 506	14 037	13 318	73 280	772 163	930 149	887 303	–	–
Other	2500	1 839	1 449	1 117	1 189	2 604	960	5 272	16 779	31 207	26 803	–	–
Total By Customer Group	**2600**	**26 146**	**27 470**	**25 572**	**23 635**	**24 952**	**21 987**	**128 430**	**1 119 343**	**1 397 534**	**1 318 346**	**–**	**–**

The municipality is owed R 1 397 534 by consumers as at 31st December 2025, with households contributing 66% to the total debt owed.

The graph below shows outstanding debtors per category as a percentage of the total debtors outstanding for the period of July to December 2025.



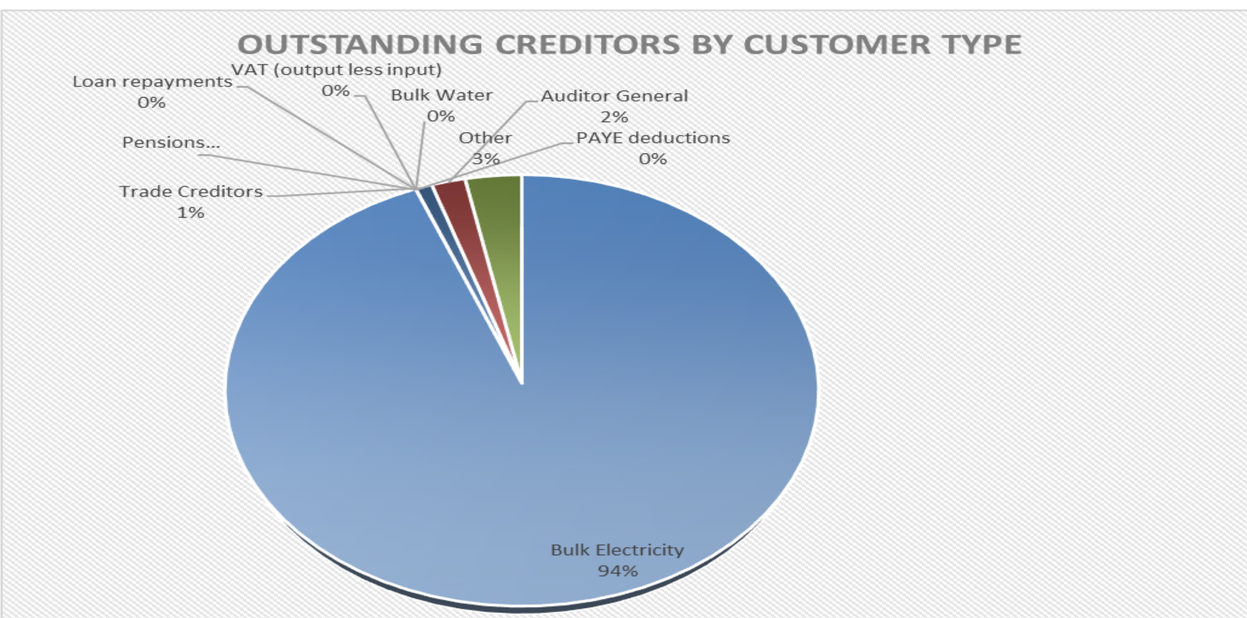
2.2 Creditors' Age Analysis

NW396 Lekwa-Teemane - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description R thousands	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	16 479	(500)	10 915	25 216	–	7 255	58 551	299 705	**417 620**	417 620
Bulk Water	0200	–	–	–	–	–	–	–	0	**0**	0
PAYE deductions	0300	–	–	–	–	–	–	–	–	**–**	–
VAT (output less input)	0400	(1 312)	277	187	(277)	125	(321)	1 266	–	**(55)**	(55)
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	**–**	–
Loan repayments	0600	–	–	–	–	–	–	–	–	**–**	–
Trade Creditors	0700	118	(910)	(655)	132	(2 292)	(950)	4 183	4 510	**4 137**	4 137
Auditor General	0800	3 489	(600)	(600)	1 563	(500)	(2 500)	6 923	664	**8 439**	8 439
Other	0900	1 138	(6 520)	(2 103)	4 133	(779)	(6 577)	(3 927)	28 741	**14 106**	14 106
Medical Aid deductions	0950	–	–	–	–	–	–	–	–	**–**	–
Total By Customer Type	**1000**	**19 913**	**(8 253)**	**7 744**	**30 767**	**(3 447)**	**(3 093)**	**66 997**	**333 620**	**444 247**	444 247

Municipality owes a total of R 444 247 000 to creditors with the bulk of the amount reported to be invoices that are over a year old. The reason for the long outstanding invoices is due to the liquidity crisis that the municipality is experiencing, where we are unable to collect enough revenue to pay off all creditors.

The graph below shows creditors per category as a percentage of the total creditors outstanding for the period of July to December 2025.



2.3 Investment Portfolio

The municipality had 0 investment accounts. See below the investment portfolio schedule. The investments reported on the AFS cannot be reflected as the statements are not received from Nedbank.

NW396 Lekwa-Teemane - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate [a]	Commission Paid (Rands)	Commission Recipient	Expiry date of investment
Municipality									
Municipality sub-total									
Entities									
Entities sub-total									
TOTAL INVESTMENTS AND INTEREST	2								

2.4 Allocation and grant receipts and expenditure

2.4.1 Transfers and grant receipts

NW396 Lekwa-Teemane - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		**73 839**	**75 061**	**–**	**20 379**	**53 803**	**37 531**	**16 273**	**43.4%**	**69 843**
Local Government Equitable Share	–	68 806	69 843	–	20 290	49 391	34 922	14 470	41.4%	69 843
EPWP Incentive	–	1 200	1 355		–	950	678	273	40.2%	
Finance Management	–	3 000	3 000		–	3 000	1 500	1 500	100.0%	
	–									
	–									
	–							–		
								–		
								–		
								–		
								–		
PMU		833	863		89	462	432	31	7.1%	
Provincial Government:		**681**	**516**	**–**	**–**	**516**	**258**	**258**	**100.0%**	**–**
	–							–		
								–		
	4							–		
								–		
Sport and Recreation		681	516		–	516	258	258	100.0%	
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
[insert description]								–		
								–		
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
								–		
								–		
Total Operating Transfers and Grants	5	**74 520**	**75 577**	**–**	**20 379**	**54 319**	**37 789**	**16 531**	**43.7%**	**69 843**
Capital Transfers and Grants										
National Government:		38 353	20 483	–	2 465	15 528	10 241	5 286	**51.6%**	–
Municipal Infrastructure Grant (MIG)	–	23 825	16 483		1 965	13 528	8 241	5 286	64.1%	
Energy Efficiency Demand Management Grant	–	4 000	4 000		500	2 000	2 000			
Intergrated National Electrification Grant		10 528								
								–		
								–		
								–		
								–		
Other capital transfers *[insert description]*								–		
Provincial Government:		**300**	**510**	**–**	**–**	**510**	**255**	255	100.0%	**–**
Library Gtant		300	510		–	510	255	255	100.0%	
								–		
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
[insert description]								–		
								–		
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
[insert description]								–		
								–		
Total Capital Transfers and Grants	5	**38 653**	**20 993**	**–**	**2 465**	**16 038**	**10 496**	**5 541**	**52.8%**	**–**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	113 173	96 570	–	22 844	70 357	48 285	22 072	45.7%	69 843

The total grants received for the year as at 31st December 2025 amounts to R 70 357 000.

Unconditional Grants

- Equitable share : R 49 391 000

Conditional Grants

- Municipal Infrastructure Grant : R 13 990 000
- Expanded Public Works : R 950 000
- Finance Management Grant : R 3 000 000
- Energy Efficiency Demand and Side Management Grant: R 2 000 000

2.4.2 Transfers and Grant Expenditure

NW396 Lekwa-Teemane - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		**73 839**	**75 061**	**–**	**20 519**	**40 687**	**37 531**	**3 156**	**8.4%**	**74 198**
Equitable share	–	68 806	69 843		20 290	37 666	34 922	2 745	7.9%	69 843
Expanded Public Works Programme Integrated Grant	–	1 200	1 355		102	606	678	(71)	-10.5%	1 355
Local Government Financial Management Grant	–	3 000	3 000		38	1 864	1 500	364	24.2%	3 000
Municipal Drought Relief	–							–		
	–							–		
								–		
PMU		833	863		89	551	432	119	27.7%	
Provincial Government:		**681**	**516**	**–**	**–**	**531**	**258**	**273**	**106.0%**	**516**
Sport and Recreation		681	516		–	531	258	273	106.0%	516
								–		
								–		
								–		
Other transfers and grants [insert description]								–		
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
								–		
WATER AND SANITATION								–		
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
								–		
[insert description]								–		
Total operating expenditure of Transfers and Grants:		**74 520**	**75 577**	**–**	**20 519**	**41 219**	**37 789**	**3 430**	**9.1%**	**74 714**
Capital expenditure of Transfers and Grants										
National Government:		38 353	20 483	–	2 960	15 352	10 241	5 111	**49.9%**	20 483
Municipal Infrastructure Grant (MIG)	–	23 825	16 483		2 960	13 873	8 241	5 632	68.3%	16 483
Energy Efficiency and Demand Side Management Grant	–	4 000	4 000		–	1 479	2 000	(521)	-26.0%	4 000
Integrated National Electrification Programme Grant	–	10 528					–	–		
								–		
								–		
Other capital transfers [insert description]								–		
Provincial Government:		**300**	**510**	**–**	**–**	**–**	**298**	(298)	-100.0%	**510**
library grant		**300**	**510**				**298**	(298)	-100.0%	**510**
								–		
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
								–		
								–		
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
								–		
								–		
Total capital expenditure of Transfers and Grants		**38 653**	**20 993**	**–**	**2 960**	**15 352**	**10 539**	**4 814**	**45.7%**	**20 993**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**113 173**	**96 570**	**–**	**23 478**	**56 571**	**48 328**	**8 243**	**17.1%**	**95 707**

A total of R 56 571 000 was spent on grants and subsidies for the year as at 31st December 2025.

2.4.3 Expenditure against approved rollover

NW396 Lekwa-Teemane - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M01 July						
Description	Ref	Budget Year 2024/25				
R thousands		Approved Rollover 2023/24	Monthly actual	YearTD actual	YTD variance	YTD variance %
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		–	–	–	–	
Energy Efficiency and Demand Management					–	
EPWP Incentive					–	
Finance Management					–	
Local Government Equitable Share					–	
Municipal Drought Relief					–	
Municipal Infrastructure Grant					–	
Other transfers and grants [insert description]					–	
Provincial Government:		–	–	–	–	
North West_Capacity Building and Other_Capacity Building and Other_RECEIPTS					–	
					–	
					–	
					–	
Other transfers and grants [insert description]					–	
District Municipality:		–	–	–	–	
					–	
[insert description]					–	
Other grant providers:		–	–	–	–	
					–	
[insert description]					–	
Total operating expenditure of Approved Roll-overs		–	–	–	–	

No approved rollovers for the period December.

2.5 Expenditure on Councilor and Staff Benefits

Employees and remuneration related expenditure for the year as at 31th December 2025 amounted to R 53 803 000. Municipal employees are the main contributor at 89%, followed Councilors at 6% and lastly senior managers at 4%.

NW396 Lekwa-Teemane - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		6 302	7 063	–	1 063	3 077	3 531	(454)	-13%	7 063
Pension and UIF Contributions		–	–	–	–	–	–	–		–
Medical Aid Contributions		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		90	95	–	15	45	47	(2)	-5%	95
Cellphone Allowance		654	1 025	–	110	484	512	(28)	-5%	1 025
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		–	–	–	–	–	–	–		–
Sub Total - Councillors		**7 046**	**8 182**	**–**	**1 188**	**3 607**	**4 091**	**(484)**	**-12%**	**8 182**
% increase	4		**16.1%**							**16.1%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		2 553	5 635	–	385	1 520	2 817	(1 297)	-46%	5 635
Pension and UIF Contributions		218	–	–	31	100	–	100	#DIV/0!	–
Medical Aid Contributions		15	–	–	–	–	–	–		–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		821	–	–	105	503	–	503	#DIV/0!	–
Cellphone Allowance		52	–	–	6	55	–	55	#DIV/0!	–
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		–	–	–	–	–	–	–		–
Payments in lieu of leave		81	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		101	–	–	–	9	–	9	#DIV/0!	–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		**3 840**	**5 635**	**–**	**527**	**2 186**	**2 817**	**(631)**	**-22%**	**5 635**
% increase	4		**46.8%**							**46.8%**
Other Municipal Staff										
Basic Salaries and Wages		54 512	65 760	–	4 713	29 568	32 880	(3 312)	-10%	65 760
Pension and UIF Contributions		11 801	12 285	–	1 100	6 232	6 142	90	1%	12 285
Medical Aid Contributions		4 210	12 519	–	384	2 370	6 259	(3 889)	-62%	12 519
Overtime		5 348	2 200	–	497	2 391	1 100	1 291	117%	2 200
Performance Bonus		4 453	4 917	–	242	3 111	2 459	653	27%	4 917
Motor Vehicle Allowance		4 458	3 073	–	421	2 533	1 537	996	65%	3 073
Cellphone Allowance		249	373	–	24	144	187	(42)	-23%	373
Housing Allowances		397	137	–	13	80	69	11	16%	137
Other benefits and allowances		1 786	916	–	120	915	458	457	100%	916
Payments in lieu of leave		1 922	–	–	113	360	–	360	#DIV/0!	–
Long service awards		345	–	–	6	215	–	215	#DIV/0!	–
Post-retirement benefit obligations	2	1 612	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		370	–	–	11	92	–	92	#DIV/0!	–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		**91 463**	**102 180**	**–**	**7 645**	**48 010**	**51 090**	**(3 080)**	**-6%**	**102 180**
% increase	4		**11.7%**							**11.7%**
Total Parent Municipality		**102 348**	**115 997**	**–**	**9 359**	**53 803**	**57 999**	**(4 195)**	**-7%**	**115 997**

2.6 Material variances to the Service Delivery and Budget Implementation Plan

NW396 Lekwa-Teemane - Supporting Table SC1 Material variance explanations - M06 December				
Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue			
2	Expenditure By Type			
3	Capital Expenditure			
4	Financial Position			
5	Cash Flow			
6	Measureable performance			
7	Municipal Entities			

Material variances are explained in individual reports such as SCM implementation report, revenue report, expenditure report and debt & credit control report.

2.7 Parent Municipality's Financial Performance

Operational Performance

NW396 Lekwa-Teemane - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		105 403	136 454	–	10 046	58 484	68 227	(9 743)	-14%	136 454
Service charges - Water		16 779	27 574	–	1 198	9 216	13 787	(4 570)	-33%	27 574
Service charges - Waste Water Management		18 211	17 761	–	1 593	9 553	8 880	673	8%	17 761
Service charges - Waste management		14 898	13 904	–	1 310	7 854	6 952	902	13%	13 904
Sale of Goods and Rendering of Services		1 473	712	–	19	334	356	(22)	-6%	712
Agency services		2 542	4 499	–	–	(97)	2 249	(2 347)	-104%	4 499
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		67 198	56 705	–	6 502	37 942	28 353	9 589	34%	56 705
Interest from Current and Non Current Assets		13	–	–	–	–	–			–
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		278	18	–	1	12	9	3	35%	18
Licence and permits		–	–	–	–	–	–	–		–
Special rating levies		–	–	–	–	–	–	–		–
Operational Revenue		421	107	–	0	1	53	(52)	-98%	107
Non-Exchange Revenue		–	–	–	–	–	–	–		–
Property rates		35 320	54 064	–	3 263	19 656	27 032	(7 376)	-27%	54 064
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		79 445	5 737	–	538	3 321	2 868	453		5 737
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		77 006	75 577	–	20 581	51 706	37 789	13 918		75 577
Interest		25 493	22 173	–	2 272	13 457	11 086	2 371		22 173
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		–	–	–	–	–	–	–		–
Other Gains		33 600	56 419	–	–	–	28 209	(28 209)		56 419
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**478 081**	**471 702**	**–**	**47 324**	**211 439**	**235 851**	**(24 412)**	**-10%**	**471 702**
Expenditure By Type										
Employee related costs		95 302	107 815	–	8 171	50 197	53 908	(3 711)	-7%	107 815
Remuneration of councillors		7 046	8 182	–	1 188	3 607	4 091	(484)	-12%	8 182
Bulk purchases - electricity		90 408	74 356	–	15 050	52 576	37 178	15 397		74 356
Inventory consumed		2 744	1 063	–	147	1 577	532	1 046		1 063
Debt impairment		–	124 878	–	–	–	62 439	(62 439)	-100%	124 878
Depreciation and amortisation		26 204	33 024	–	–	–	16 512	(16 512)	-100%	33 024
Interest		19 367	2 300	–	5 515	15 298	1 150	14 148	1230%	2 300
Contracted services		34 776	34 930	–	5 446	14 996	17 465	(2 469)	-14%	34 930
Transfers and subsidies		2 957	1 200	–	83	447	290	157	54%	1 000
Irrecoverable debts written off		166 569	–	–	168	1 397	–	1 397		–
Operational costs		33 856	15 637	–	6 490	21 074	8 255	12 820	155%	15 637
Losses on Disposal of Assets		–	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**479 228**	**403 386**	**–**	**42 257**	**161 169**	**201 819**	**(40 650)**	**-20%**	**403 186**
Surplus/(Deficit)		**(1 146)**	**68 316**	**–**	**5 067**	**50 271**	**34 032**	**16 239**	**0**	**68 516**
Transfers and subsidies - capital (monetary allocations)		32 475	20 993	–	2 554	15 990	10 496	5 494	0	20 993
Transfers and subsidies - capital (in-kind)		376	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**31 705**	**89 309**	**–**	**7 621**	**66 261**	**44 528**			**89 509**
Income Tax		–	–	–	–	–	–			–
Surplus/(Deficit) after income tax		**31 705**	**89 309**	**–**	**7 621**	**66 261**	**44 528**			**89 509**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**31 705**	**89 309**	**–**	**7 621**	**66 261**	**44 528**			**89 509**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**31 705**	**89 309**	**–**	**7 621**	**66 261**	**44 528**			**89 509**

The total operating revenue budget (excluding capital transfers) for 2025/2026 financial year totals R 471 702 000. Revenue performance (recognized) for the period ending 31st December 2025 is an amount of R 211 439 000 excluding capital grants which is 45% of the total operating revenue budget. This amount is made amount relates to property rates, service charges, interest on outstanding debtors, fines, licenses and permits, government grants and sundry income.

2.8 Municipal Entity's Financial Performance

The municipality has an entity but at the moment the entity is not functioning as a result of not having board of directors, therefore there are no expenses to report for the period 31th December 2025. Once the board of directors is appointed, staffing issues will be resolved and normal operations will resume.

2.9 Capital Programme Performance

The tables below report on the capital expenditure on renewal, upgrading and construction of new assets.

Capital Performance

The capital budget was allocated a total of R 21 093 000 and has performed at 65% or R 13 690 000 of the budget for the period ending 31st December 2025. This actual amount includes government grants meant for capital expenditure such as the Municipal Infrastructure Grant.

NW396 Lekwa-Teemane - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M06 December

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		**104 854**	**11 310**	–	**5 211**	**8 902**	**5 655**	(3 247)	**-57.4%**	**11 310**
Roads Infrastructure		16 912	11 310	–	5 211	8 902	5 655	(3 247)	**-57.4%**	11 310
Roads		8 277	11 210	–	5 211	8 093	5 605	(2 488)	**-44.4%**	11 210
Road Structures		8 636	–	–	–	809	–	(809)	**#DIV/0!**	–
Road Furniture		–	100	–	–	–	50	50	**100.0%**	100
Capital Spares		–	–	–	–	–	–	–		–
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		16 828	–	–	–	–	–	–		–
Power Plants		–	–	–	–	–	–	–		–
HV Substations		5 333	–	–	–	–	–	–		–
HV Switching Station		–	–	–	–	–	–	–		–
HV Transmission Conductors		–	–	–	–	–	–	–		–
MV Substations		–	–	–	–	–	–	–		–
MV Switching Stations		–	–	–	–	–	–	–		–
MV Networks		–	–	–	–	–	–	–		–
LV Networks		1 734	–	–	–	–	–	–		–
Capital Spares		9 761	–	–	–	–	–	–		–
Water Supply Infrastructure		1 790	–	–	–	–	–	–		–
Dams and Weirs		–	–	–	–	–	–	–		–
Boreholes		–	–	–	–	–	–	–		–
Reservoirs		–	–	–	–	–	–	–		–
Pump Stations		3 194	–	–	–	–	–	–		–
Water Treatment Works		–	–	–	–	–	–	–		–
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		(1 404)	–	–	–	–	–	–		–
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sanitation Infrastructure		67 338	–	–	–	–	–	–		–
Pump Station		–	–	–	–	–	–	–		–
Reticulation		67 338	–	–	–	–	–	–		–
Waste Water Treatment Works		–	–	–	–	–	–	–		–
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Landfill Sites		–	–	–	–	–	–	–		–
Waste Transfer Stations		–	–	–	–	–	–	–		–
Waste Processing Facilities		–	–	–	–	–	–	–		–
Waste Drop-off Points		–	–	–	–	–	–	–		–
Waste Separation Facilities		–	–	–	–	–	–	–		–
Electricity Generation Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Rail Lines		–	–	–	–	–	–	–		–
Rail Structures		–	–	–	–	–	–	–		–
Rail Furniture		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
MV Substations		–	–	–	–	–	–	–		–
LV Networks		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Sand Pumps		–	–	–	–	–	–	–		–
Piers		–	–	–	–	–	–	–		–
Revetments		–	–	–	–	–	–	–		–
Promenades		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		1 986	–	–	–	–	–	–		–
Data Centres		1 412	–	–	–	–	–	–		–
Core Layers		–	–	–	–	–	–	–		–
Distribution Layers		–	–	–	–	–	–	–		–
Capital Spares		575	–	–	–	–	–	–		–
Community Assets		**7 656**	**5 272**	–	**495**	**3 171**	**2 636**	**(534)**	**-20.3%**	**5 272**
Community Facilities		2 340	2 936	–	–	9	1 468	1 459	**99.4%**	2 936
Halls		7 484	2 936	–	–	–	1 468	1 468	100.0%	2 936
Centres		–	–	–	–	–	–	–		–
Crèches		–	–	–	–	–	–	–		–
Clinics/Care Centres		–	–	–	–	–	–	–		–
Fire/Ambulance Stations		–	–	–	–	–	–	–		–
Testing Stations		–	–	–	–	–	–	–		–
Museums		–	–	–	–	–	–	–		–
Galleries		–	–	–	–	–	–	–		–
Theatres		–	–	–	–	–	–	–		–
Libraries		–	–	–	–	–	–	–		–
Cemeteries/Crematoria		385	–	–	–	9	–	(9)	#DIV/0!	–
Police		–	–	–	–	–	–	–		–
Purls		–	–	–	–	–	–	–		–
Public Open Space		–	–	–	–	–	–	–		–
Nature Reserves		–	–	–	–	–	–	–		–
Public Ablution Facilities		–	–	–	–	–	–	–		–
Markets		–	–	–	–	–	–	–		–
Stalls		–	–	–	–	–	–	–		–
Abattoirs		–	–	–	–	–	–	–		–
Airports		–	–	–	–	–	–	–		–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–		–
Capital Spares		(5 529)	–	–	–	–	–	–		–
Sport and Recreation Facilities		5 316	2 336	–	495	3 162	1 168	(1 994)	**-170.7%**	2 336
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		5 316	2 336	–	495	3 162	1 168	(1 994)	-170.7%	2 336
Capital Spares		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Monuments		–	–	–	–	–	–	–		–
Historic Buildings		–	–	–	–	–	–	–		–
Works of Art		–	–	–	–	–	–	–		–
Conservation Areas		–	–	–	–	–	–	–		–
Other Heritage		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Other assets		**890**	–	–	–	–	–	–		–
Operational Buildings		890	–	–	–	–	–	–		–
Municipal Offices		890	–	–	–	–	–	–		–
Pay/Enquiry Points		–	–	–	–	–	–	–		–
Building Plan Offices		–	–	–	–	–	–	–		–
Workshops		–	–	–	–	–	–	–		–
Yards		–	–	–	–	–	–	–		–
Stores		–	–	–	–	–	–	–		–
Laboratories		–	–	–	–	–	–	–		–
Training Centres		–	–	–	–	–	–	–		–
Manufacturing Plant		–	–	–	–	–	–	–		–
Depots		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Staff Housing		–	–	–	–	–	–	–		–
Social Housing		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		–	–	–	–	–	–	–		–
Water Rights		–	–	–	–	–	–	–		–
Effluent Licenses		–	–	–	–	–	–	–		–
Solid Waste Licenses		–	–	–	–	–	–	–		–
Computer Software and Applications		–	–	–	–	–	–	–		–
Load Settlement Software Applications		–	–	–	–	–	–	–		–
Unspecified		–	–	–	–	–	–	–		–
Computer Equipment		**2 134**	–	–	–	**28**	–	**(28)**	#DIV/0!	–
Computer Equipment		2 134	–	–	–	28	–	(28)	#DIV/0!	–
Furniture and Office Equipment		**5 926**	–	–	–	**163**	–	**(163)**	#DIV/0!	–
Furniture and Office Equipment		5 926	–	–	–	163	–	(163)	#DIV/0!	–
Machinery and Equipment		**110**	–	–	–	**638**	–	**(638)**	#DIV/0!	–
Machinery and Equipment		110	–	–	–	638	–	(638)	#DIV/0!	–
Transport Assets		**5 301**	**510**	–	–	–	**255**	**255**	100.0%	**510**
Transport Assets		5 301	510	–	–	–	255	255	100.0%	510
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Total Capital Expenditure on new assets	1	**126 871**	**17 093**	–	**5 706**	**12 902**	**8 546**	**(4 355)**	**-51.0%**	**17 093**

NW396 Lekwa-Teemane - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**5 751**	**6 821**	**–**	**162**	**1 141**	**3 410**	**2 269**	**66.5%**	**6 821**
Roads Infrastructure		892	1 500	–	42	167	750	583	77.7%	1 500
Roads		892	1 500	–	42	167	750	583	77.7%	1 500
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		1 746	2 000	–	69	308	1 000	692	69.2%	2 000
Power Plants		–	–	–	–	–	–	–		–
HV Substations		–	–	–	–	–	–	–		–
HV Switching Station		–	–	–	–	–	–	–		–
HV Transmission Conductors		–	–	–	–	–	–	–		–
MV Substations		–	–	–	–	–	–	–		–
MV Switching Stations		–	–	–	–	–	–	–		–
MV Networks		–	–	–	–	–	–	–		–
LV Networks		1 746	2 000	–	69	308	1 000	692	69.2%	2 000
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		–	–	–	–	–	–	–		–
Dams and Weirs		–	–	–	–	–	–	–		–
Boreholes		–	–	–	–	–	–	–		–
Reservoirs		–	–	–	–	–	–	–		–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		–	–	–	–	–	–	–		–
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	–	–	–	–	–	–		–
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sanitation Infrastructure		3 114	3 321	–	50	666	1 660	994	59.9%	3 321
Pump Station		–	–	–	–	–	–	–		–
Reticulation		–	–	–	–	–	–	–		–
Waste Water Treatment Works		1 691	1 821	–	24	73	910	838	92.0%	1 821
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		1 423	1 500	–	26	594	750	156	20.9%	1 500
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Landfill Sites		–	–	–	–	–	–	–		–
Waste Transfer Stations		–	–	–	–	–	–	–		–
Waste Processing Facilities		–	–	–	–	–	–	–		–
Waste Drop-off Points		–	–	–	–	–	–	–		–
Waste Separation Facilities		–	–	–	–	–	–	–		–
Electricity Generation Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Rail Lines		–	–	–	–	–	–	–		–
Rail Structures		–	–	–	–	–	–	–		–
Rail Furniture		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
MV Substations		–	–	–	–	–	–	–		–
LV Networks		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Sand Pumps		–	–	–	–	–	–	–		–
Piers		–	–	–	–	–	–	–		–
Revetments		–	–	–	–	–	–	–		–
Promenades		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Data Centres		–	–	–	–	–	–	–		–
Core Layers		–	–	–	–	–	–	–		–
Distribution Layers		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Community Assets		**453**	**350**	**–**	**–**	**–**	**175**	**175**	**100.0%**	**350**
Community Facilities		453	300	–	–	–	150	150	100.0%	300
Halls		453	300	–	–	–	150	150	100.0%	300
Centres		–	–	–	–	–	–	–		–
Crèches		–	–	–	–	–	–	–		–
Clinics/Care Centres		–	–	–	–	–	–	–		–
Fire/Ambulance Stations		–	–	–	–	–	–	–		–
Testing Stations		–	–	–	–	–	–	–		–
Museums		–	–	–	–	–	–	–		–
Galleries		–	–	–	–	–	–	–		–
Theatres		–	–	–	–	–	–	–		–
Libraries		–	–	–	–	–	–	–		–
Cemeteries/Crematoria		–	–	–	–	–	–	–		–
Police		–	–	–	–	–	–	–		–
Purls		–	–	–	–	–	–	–		–
Public Open Space		–	–	–	–	–	–	–		–
Nature Reserves		–	–	–	–	–	–	–		–
Public Ablution Facilities		–	–	–	–	–	–	–		–
Markets		–	–	–	–	–	–	–		–
Stalls		–	–	–	–	–	–	–		–
Abattoirs		–	–	–	–	–	–	–		–
Airports		–	–	–	–	–	–	–		–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		–	50	–	–	–	25	25	100.0%	50
Indoor Facilities		–	50	–	–	–	25	25	100.0%	50
Outdoor Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Monuments		–	–	–	–	–	–	–		–
Historic Buildings		–	–	–	–	–	–	–		–
Works of Art		–	–	–	–	–	–	–		–
Conservation Areas		–	–	–	–	–	–	–		–
Other Heritage		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Other assets		–	–	–	–	–	–	–		–
Operational Buildings		–	–	–	–	–	–	–		–
Municipal Offices		–	–	–	–	–	–	–		–
Pay/Enquiry Points		–	–	–	–	–	–	–		–
Building Plan Offices		–	–	–	–	–	–	–		–
Workshops		–	–	–	–	–	–	–		–
Yards		–	–	–	–	–	–	–		–
Stores		–	–	–	–	–	–	–		–
Laboratories		–	–	–	–	–	–	–		–
Training Centres		–	–	–	–	–	–	–		–
Manufacturing Plant		–	–	–	–	–	–	–		–
Depots		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Staff Housing		–	–	–	–	–	–	–		–
Social Housing		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		–	–	–	–	–	–	–		–
Water Rights		–	–	–	–	–	–	–		–
Effluent Licenses		–	–	–	–	–	–	–		–
Solid Waste Licenses		–	–	–	–	–	–	–		–
Computer Software and Applications		–	–	–	–	–	–	–		–
Load Settlement Software Applications		–	–	–	–	–	–	–		–
Unspecified		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Transport Assets		**744**	**848**	**–**	**319**	**608**	**424**	**(184)**	-43.4%	**848**
Transport Assets		744	848	–	319	608	424	(184)	-43.4%	848
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
		–	–	–	–	–	–			–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Total Repairs and Maintenance Expenditure	1	**6 948**	**8 019**	**–**	**481**	**1 750**	**4 010**	**2 260**	**56.4%**	**8 019**

The budget for repairs and maintenance in the current year is an amount of R 8 019 000 and for the period of 31st December 2025, a total of R 1 750 000 was spent.

NW396 Lekwa-Teemane - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M06 December

Description	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		–	–	–	–	–	–	–		–
Roads Infrastructure		–	–	–	–	–	–	–		–
Roads		–	–	–	–	–	–	–		–
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	–	–	–	–	–	–		–
Power Plants		–	–	–	–	–	–	–		–
HV Substations		–	–	–	–	–	–	–		–
HV Switching Station		–	–	–	–	–	–	–		–
HV Transmission Conductors		–	–	–	–	–	–	–		–
MV Substations		–	–	–	–	–	–	–		–
MV Switching Stations		–	–	–	–	–	–	–		–
MV Networks		–	–	–	–	–	–	–		–
LV Networks		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		–	–	–	–	–	–	–		–
Dams and Weirs		–	–	–	–	–	–	–		–
Boreholes		–	–	–	–	–	–	–		–
Reservoirs		–	–	–	–	–	–	–		–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		–	–	–	–	–	–	–		–
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	–	–	–	–	–	–		–
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sanitation Infrastructure		–	–	–	–	–	–	–		–
Pump Station		–	–	–	–	–	–	–		–
Reticulation		–	–	–	–	–	–	–		–
Waste Water Treatment Works		–	–	–	–	–	–	–		–
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Landfill Sites		–	–	–	–	–	–	–		–
Waste Transfer Stations		–	–	–	–	–	–	–		–
Waste Processing Facilities		–	–	–	–	–	–	–		–
Waste Drop-off Points		–	–	–	–	–	–	–		–
Waste Separation Facilities		–	–	–	–	–	–	–		–
Electricity Generation Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Rail Lines		–	–	–	–	–	–	–		–
Rail Structures		–	–	–	–	–	–	–		–
Rail Furniture		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
MV Substations		–	–	–	–	–	–	–		–
LV Networks		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Sand Pumps		–	–	–	–	–	–	–		–
Piers		–	–	–	–	–	–	–		–
Revetments		–	–	–	–	–	–	–		–
Promenades		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Data Centres		–	–	–	–	–	–	–		–
Core Layers		–	–	–	–	–	–	–		–
Distribution Layers		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Community Assets		–	–	–	–	–	–	–		–
Community Facilities		–	–	–	–	–	–	–		–
Halls		–	–	–	–	–	–	–		–
Centres		–	–	–	–	–	–	–		–
Crèches		–	–	–	–	–	–	–		–
Clinics/Care Centres		–	–	–	–	–	–	–		–
Fire/Ambulance Stations		–	–	–	–	–	–	–		–
Testing Stations		–	–	–	–	–	–	–		–
Museums		–	–	–	–	–	–	–		–
Galleries		–	–	–	–	–	–	–		–
Theatres		–	–	–	–	–	–	–		–
Libraries		–	–	–	–	–	–	–		–
Cemeteries/Crematoria		–	–	–	–	–	–	–		–
Police		–	–	–	–	–	–	–		–
Purls		–	–	–	–	–	–	–		–
Public Open Space		–	–	–	–	–	–	–		–
Nature Reserves		–	–	–	–	–	–	–		–
Public Ablution Facilities		–	–	–	–	–	–	–		–
Markets		–	–	–	–	–	–	–		–
Stalls		–	–	–	–	–	–	–		–
Abattoirs		–	–	–	–	–	–	–		–
Airports		–	–	–	–	–	–	–		–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		–	–	–	–	–	–	–		–
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Monuments		–	–	–	–	–	–	–		–
Historic Buildings		–	–	–	–	–	–	–		–
Works of Art		–	–	–	–	–	–	–		–
Conservation Areas		–	–	–	–	–	–	–		–
Other Heritage		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Other assets		–	–	–	–	–	–	–		–
Operational Buildings		–	–	–	–	–	–	–		–
Municipal Offices		–	–	–	–	–	–	–		–
Pay/Enquiry Points		–	–	–	–	–	–	–		–
Building Plan Offices		–	–	–	–	–	–	–		–
Workshops		–	–	–	–	–	–	–		–
Yards		–	–	–	–	–	–	–		–
Stores		–	–	–	–	–	–	–		–
Laboratories		–	–	–	–	–	–	–		–
Training Centres		–	–	–	–	–	–	–		–
Manufacturing Plant		–	–	–	–	–	–	–		–
Depots		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Staff Housing		–	–	–	–	–	–	–		–
Social Housing		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		–	–	–	–	–	–	–		–
Water Rights		–	–	–	–	–	–	–		–
Effluent Licenses		–	–	–	–	–	–	–		–
Solid Waste Licenses		–	–	–	–	–	–	–		–
Computer Software and Applications		–	–	–	–	–	–	–		–
Load Settlement Software Applications		–	–	–	–	–	–	–		–
Unspecified		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Total Depreciation	1	–	–	–	–	–	–	–		–

The depreciation is calculated at year end.

PART 3 – SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

3.1 Other Supporting Documents

See **annexure A** report on the municipality's Service Delivery and Budget Implementation Plan for the period July - December 2025.

Table 1: KEY PERFORMANCE AREA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Table 1: KEY PERFORMANCE AREA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Objective	Key Performance Indicator	Indicator Description	Baseline	BUDGET	2025/2026 ANNUAL TARGET	MIDTERM TARGET	ACTUAL	Reason for deviation	Remedial action	POE
To deliver sustainable essential services such as water, sanitation, electricity, and roads for the Lekwa-Teemane communities	Number of households with access to basic water supply **KPI.1** **T.S**	Provision of water supply to households connected to the Municipal network	New	Opex	14514 Households with access to basic water supply by the end of June 2026	14514 Households with access to basic water supply by the end of December 2025	**Achieved** 14514 Households with access to basic water supplied	N/A	Water Meter Audit	Billing Report
	Number of households with access to basic sanitation supply **KPI.2** **T.S**	Provision of sewer/sanitation supply to households connected to the Municipal network	New	Opex	14048 Households with access to basic sewer/sanitation supply by end June 2026	14048 Households with access to basic sewer/sanitation supply by the end of December 2025	**Achieved** 14048 Households with access to basic sewer/sanitation supply	N/A	N/A	Billing Report
	Number of households with access to basic Electricity supply **KPI.3** **T.S**	Provision of Electricity supply to households connected to the Municipal network	New	Opex	4110 Households with access to basic Electricity supply by the end of June 2026	4110 Households with access to basic Electricity supply by the end of December 2025	**Achieved** 4110 Households with access to basic Electricity supply	N/A	Electricity Meter Audit	Billing Report
	Number of households with basic solid waste collection	General maintenance of landfill sites as required by	18,524 households to receive weekly solid waste	OPEX	14048 households to receive weekly solid waste	14048 households to receive weekly solid waste	**Achieved** **14048** Household with basic	N/A	N/A	Refuse Removal Schedules, Maps/Routes

	KPI 4 **C. S**	the National Environmental Management Waste Act, 2008.	collection		collection by June 2026	collection by December 2025	waste collection by the end of December 2025			
	Number of Illegal dumping sites cleared. **KPI 5** **C.S**	Cleaning of inappropriately disposed litter at identified hotspots	New	Opex	30 Illegal dumping sites cleared by June 2026	7 Illegal dumping sites cleared by December 2025	**Achieved** 15 Illegal Dumping Sites Cleared by the end of December 2025	N/A	N/A	Report and Dated Pictures.
	Number of landfill sites maintained **KPI.6** **C.S**	General maintenance of landfill sites as required by the National Environmental Management Waste Act, 2008	2 landfill sites are maintained monthly	Opex	2 landfill sites will be maintained by the end of June 2026	2 landfill sites will be maintained by the end of December 2025	**Achieved** 4 maintenance reports on Landfill sites by the end of December 2025.	N/A	N/A	Maintenance Report and Dated Pictures.
	Number of sports facilities maintained **KPI.7** **CS**	Quarterly maintenance of 3 existing sports facilities in Boitumelong, Coverdale, and Geluksoord, which includes Cleaning, grass cutting, irrigation, weed control	3. Sports facilities are maintained monthly	Opex	3 sports facilities are maintained every month by the end of June 2026	3 sports facilities will be maintained every month by the end of December 2025	**Achieved** 6 Sports Facilities maintained by the end of December 2025	N/A	N/A	Maintenance Report and Dated Pictures.

	Number of municipal parks and gardens maintained **KPI.8** **C S**	General maintenance of the Geluksoord park and Municipal gardens and islands, grass-cutting, trimming, watering, and cleaning.	Maintenance of municipal park (grass cutting, removal of weeds, watering of plants, removal of waste)	Opex	2 municipal parks and gardens will be maintained monthly by the end of June 2026	2 municipal parks and gardens will be maintained monthly by the end of December 2025	**Achieved** 2 Municipal Parks Maintained by the end of December 2025.	N/A	N/A	Maintenance Report and Dated Pictures.
	Rand value collected on Vehicles tested **KPI 9** **C.S**	Rand value of income collected through vehicle testing	New KPI	Opex	R400 000 Collected on vehicles tested by June 2026	R200 000 Collected on vehicles tested by December 2025	**Achieved** R 200 000 Collected on vehicles tested by December 2025	N/A	N/A	Collection schedules
	Number of signboards of illegal dumping erected **KPI.10** **C. S**	Erected signage to warn against illegal dumping at identified hotspots	No Illegal dumping signs	Opex	10 signboards of illegal dumping will be erected by the end of June 2026	6 signboards of illegal dumping will be erected by the end of December 2025	**Not achieved** No signboards of illegal dumping will be erected by the end of December 2025	Awaiting Delivery of the signboards from the Supply/Service provider.	SCM to make a follow-up with the supplier.	Proof of purchase/erection of signboards
	Number of new cemeteries established **KPI.11** **C. S**	Establishment of a new burial site	Current cemeteries are full.	Opex	2 new cemeteries will be established by the end of June 2026	2 new cemeteries will be established by the end of December 2025	**Not Achieved** No cemetery established by the end of December 2025	Unfunded Budget	Target to be revised in the midterm.	Close-out report
	Number of roadblocks conducted **KPI.12** **C. S**	Traffic Law enforcement operations	New KPI	Opex	To conduct 8 (K78) Road Blocks by the end of June 2026	4 (K78) Road Blocks conducted by the end of December 2025	**Achieved** 4 (K78) Road Blocks conducted by the end of December 2025	4 (K78) Road Blocks conducted by the end of December 2025	NONE	REGISTERS/PICTURES

	Number of high mast luminaries to be repaired/maintained in (Bloemhof and Christiana) **KPI.13** T.S	General maintenance of high mast lights, including the replacement of globes/luminaires	71 High mast luminaries	R2 000 000	71 high mast luminaries to be repaired/maintained in Bloemhof and Christiana by the end of June 2026	35 high mast luminaries to be repaired/maintained in Bloemhof and Christiana by the end of December 2025	Not Achieved 22 high mast lights are maintained in Christiana	Limited resources	Purchase of a bakkie and continuous provision of materials. Timeous payments of Eskom accounts	Maintenance Report
	KM of municipal roads maintained **KPI.14** T.S	Maintenance includes resealing, road patching, grading/blading	Pothole-riddled roads	R1 500 000	5 KM of municipal roads will be maintained by the end of June 2026	1.25 KM of municipal roads will be maintained by the end of December 2025	Achieved 8.95 KM roads bladed in Christiana	N/A	N/A	Approved Maintenance Report with before and after pictures
	KMs of stormwater drainage are maintained **KPI.15** T.S	Cleaning of the drainage system by removing all impediments to the drainage	5km stormwater drainage	R1 500 000	10 km of stormwater drainage will be maintained by the end of June 2026	1 km of stormwater drainage will be maintained by the end of December 2025	Not Achieved 0KM of stormwater drainage is maintained in Christiana	Limited Resources	Increased personnel, purchasing of a truck or tractor and a trailer, and purchasing of tools	Approved Maintenance Report with before and after pictures
	KMs of internal roads paved and stormwater constructed in Ext 5 &10 (Bloemhof) **KPI.16** T.S	Construction of paved roads and stormwater infrastructure in Extensions 5 and 10 of Bloemhof to improve accessibility and reduce flood risks.	Gravel Road	R7 583 340	2.2 KMs of municipal internal roads and accompanying stormwater infrastructure constructed in Extension 5 and 10 (Bloemhof) by 30 June 2026	2 KMs of municipal internal roads and accompanying stormwater infrastructure constructed in Extension 5 and 10 (Bloemhof) by 30 June 2026	Not Achieved Physical Progress at 60% of municipal internal roads and accompanying stormwater infrastructure constructed in Extension 5	Project behind Due to the delay in the delivery of material. The project is also behind due to the non-performance of the appointed contractor.	The Contractor is to speed up the work by increasing man-power, increasing equipment	Quarterly progress reports Completion certificate of 2.2 paved road and stormwater

							and 10 (Bloemhof) by 31 December 2026			
	KMs of internal roads paved and stormwater constructed in Geluksoord Ext 3 (Christiana) **KPI.17** T.S	Construction of paved roads and stormwater infrastructure in Geluksoord Extension 3 (Christiana) to improve road conditions and manage stormwater runoff effectively	Paved road	R3 629 940	1.8 km constructed for roadbed and sub-base layers of internal roads (equivalent to 40% of the planned total) in Geluksoord Extension 3 (Christiana), including associated stormwater infrastructure, by 30 June 2026	Constructions on site	**Achieved** Construction in progress at 10% The site was established on the 10th of October 2025.	None as yet.	The Contractor is to adhere to the work plan	4th Quarter progress reports Payment certificate of 1.8 km constructed for roadbed and sub-base layers, road, and stormwater
	Number of Sport Facilities constructed in Utlwanang **KPI.18** T.S	Construction of a sports facility in Utlwanang	Construction of a sports facility		1 Sport Facility constructed in Utlwanang by 30 June 2026	Constructions on site	**Achieved** Physical Progress at 85% completion	N/A	N/A	Quarterly progress reports Completion certificate for the construction of a sports facility.
	Number of Multi-Purpose Hall constructed in Boitumelong **KPI.19** T.S	Construction of a multi-purpose hall in Boitumelong to (Bloemhof)	Construction of a multipurpose hall		Construct the multi-purpose hall in Boitumelong (Bloemhof) up to 80% of the approved scope by 30 June 2026.	Constructions not started	**Not Achieved** The contractor was terminated due to non-performance when the project was at 60% physical	Non-performance of the contractor.	The municipality has started with the procurement process of appointing the second contractor, and an evaluation has been done.	4th quarter progress report Payment certificate for construction: Construct

							progress.		The municipality is to submit the bid committee reports to COGTA before making the appointment.	the multi-purpose hall in Boitumelong (Bloemhof) up to 80% of the approved scope.
	Number of Vehicles to be purchased **KPI.20** **BTO**	One vehicle is to be purchased for the municipality	New		1 vehicle to be purchased by the end of June 2026	1 vehicle to be purchased by the end of June 2026	N/A	N/A	N/A	Delivery note/ Invoice
	Number of Departmental risk registers updated **KPI.21** **M M C.S**	An updated risk register, reflecting the risks within the municipality	4 Departmental risk registers updated	Opex	4 Departmental risk registers updated by the end of June 2026	2 Departmental risk register updated by the end of December 2025	**Achieved** 2 Departmental risk register updated by the end of December 2025	N/A	N/A	Updated departmental risk registers
	Number of Departmental meetings conducted **KPI.22** **C.S**	Departmental meetings to communicate internal matters and resolutions	4 Departmental meetings conducted	Opex	4 Departmental meetings conducted by the end of June 2026	2 Departmental meeting conducted by the end of December 2025	**Achieved** 2 Departmental meetings held by the end of December 2025	N/A	N/A	Minutes /Attendance Registers
	Number of reports on the implementation of the Audit Action Plan submitted to the MM **KPI.23** **BTO**	To record the progress of the implementation of the audit action plan to address the prior year's audit findings	2 reports	Opex	2 reports detailing progress on the implementation of the Audit Action Plan by the end of June 2026	2 Departmental reports submitted to the MM within 5 days after the end of December 2025	**Achieved** 2 Departmental reports submitted to the MM within 5 days after the end of December 2025	N/A	N/A	POE

	Number of Departmental reports submitted to the MM, 5 days after the end of the quarter **KPI.24** **M M** **C.S** **TS** **BTO** **CPS**	Performance reports to the MM on the implementation of the SDBIP as per the PMS framework	4 Departmental reports submitted	Opex	4 Departmental reports submitted to the MM, 5 days after the end of each quarter by the end of June 2026	2 report detailing progress on the implementation of the Audit Action Plan by the end of December 2025	**Achieved** 2 reports detailing progress on the implementation of the Audit Action Plan by the end of December 2025	N/A	N/A	Quarterly Departmental Reports
	Rand value income collected from vehicle registrations and licensing renewals **KPI.25** **C.S**	Rand value income collected through vehicle registrations, licensing, and renewals	R1 600 000	Opex	R1 600 000 collected from vehicle registrations and licensing renewals by June 2026	R800 000 collected from vehicle registrations and licensing renewals by December 2025	**Achieved** **R1702338.86** collected from vehicle registrations and licensing renewals by December 2025	N/A	N/A	RD323 REPORT
	The LED Strategy is aligned to the Provincial and National LED Strategy/Framework developed **KPI.26** **C.S**	Review the LED strategy to align with the Provincial and National Strategy	Outdated LED strategy	Opex	The LED Strategy aligned with the Provincial and National LED Strategy/Framework developed by the end of June 2025	2 Meeting held with all stakeholders led by COGTA regarding the implementation plan for the LED Strategy by the end of December 2025	**Achieved** 2 Meeting held with all stakeholders led by COGTA regarding the implementation plan for the LED Strategy by the end of December 2025	The process to implement the LED Strategy is unfolding	N/A	The attendance registers and the Minutes of the meeting held are attached

Table 2 : KEY PERFORMANCE AREA 2: LOCAL ECONOMIC DEVELOPMENT

Objectives	Performance Indicator	Indicator Description	Baseline	BUDGET	ANNUAL TARGET 2024/2025	Midterm target	Actual	Reason for deviation	Remedial action	POE
Strengthening the enabling environment through more flexible regulations, better access to finance and markets, improved infrastructure facilities, and business support,	Number of municipal LED intergovernmental platforms convened. **KPI.27** **C.S**	LED intergovernmental engagement session	4 LED intergovernmental platforms convened	Opex	4 LED intergovernmental platforms convened by June 2026	2 LED intergovernmental platforms convened by December 2025	**Achieved** 2 LED intergovernmental platforms convened by December 2025	N/A	N/A	Minutes /Registers /invites
	Number of work opportunities created through CWP. **KPI.28** **C.S**	work opportunities created through CWP	500 work opportunities created through CWP	Opex	100 work opportunities created through CWP by June 2026	125 work opportunities created through CWP by December 2025	**Achieved** 250 work opportunities created through CWP by December 2025	N/A	N/A	The Control List of participants is attached
	Number of jobs created through the municipality's local economic development initiatives, including capital projects **KPI.29** **C.S**	Jobs created through the municipality's local economic development initiatives, including capital projects	100 jobs created through the municipality's local economic development initiatives, including capital projects	Opex	140 jobs created through the municipality's local economic development initiatives, including capital projects, by the end of June 2026	70 work opportunities created through EPWP by the end of December 2025	**Achieved** Upgrading of outfall sewer pipes 30 Labour Intake Upgrading of Utlwanang sports facilities, 46 labour intakes **= 76 Labour work**	N/A	N/A	Appointment letters/contracts

							opportunities created through EPWP by the end of December 2025			
	Number of work opportunities created through EPWP **KPI. 30** **C.S**	work opportunities created through EPWP	100 work opportunities created through EPWP	R 1200 000	100 work opportunities created through EPWP by the end of June 2026	50 jobs created through the municipality's local economic development initiatives, including capital projects, by the end December 2025	**Achieved** 81 Labour jobs created through the municipality's local economic development initiatives, including capital projects, by the end December 2025	N/A	N/A	Appointment letters/contracts
	Number of financial policies reviewed and adopted by the council **KPI 31** **BTO**	1. Credit Control debt collection, 2. Asset management policy, 3. Indigent policy, 4. Property Rates policy , 5. Supply Chain Management Policy, 6. Tariff policy, 7. Cash Management policy, 8. Budget Policy 9. Borrowing policy.	Finance policies 1. Credit Control debt collection, 2. Asset management policy, 3. Indigent policy, 4. Property Rates policy , 5. Supply Chain Management Policy, 6. Tariff	Opex	10 reviewed and approved financial policies by the end of June 2026	Not Applicable	**N/A** BTO policies were reviewed and subsequently approved by Council in May 2025	The target is only for Q4 when the policies are tabled and adopted by Council	N/A	Reviewed and approved policies and Council resolution

		10. Cost Containment Policy - Review 3 policies per quarter, and if changes are adopted by the council.	policy, 7. Cash Management policy, 8. Budget Policy 9. Borrowing policy. - Review 3 policies per quarter and, if changes are adopted by the council. 10. Cost Containment Policy							

Table 3 : KEY PERFORMANCE AREA 3: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Objective	Performance Indicator	Indicator Description	Baseline	Budget	Annual Targets 2024/2025	Midterm Target	Actual	Reason for Deviation	Remedial Action	POE

Build and strengthen the financial management of the municipality to enhance service delivery and achieve a clean audit by 2019	Number of financial policies reviewed and adopted by the council **KPI 32** **BTO**	1. Credit Control debt collection, 2. Asset management policy, 3. Indigent policy, 4. Property Rates policy , 5. Supply Chain Management Policy, 6. Tariff policy, 7. Cash Management policy, 8. Budget Policy 9. Borrowing policy. 10. Cost Containment Policy - Review 3 policies per quarter, and if changes are adopted by the council.	Finance policies 1. Credit Control debt collection, 2. Asset management policy, 3. Indigent policy, 4. Property Rates policy , 5. Supply Chain Management Policy, 6. Tariff policy, 7. Cash Management policy, 8. Budget Policy 9. Borrowing policy. - Review 3 policies per quarter and if changes adopted by council. 10. Cost Containment Policy	Opex	10 reviewed and approved financial policies by the end of June 2025	N/A	**N/A**	N/A	N/A	Reviewed and approved policies
	Number of reports on expenditure management submitted **KPI. 33**	Reports on creditors reconciliation, reports on, and	Reports on Expenditure Management	Opex	3 reports on effective revenue management submitted by the end of December 2025	6 reports on expenditure management submitted by the end of December 2025	**Achieved** 6 Expenditure reports are incorporated within the monthly Section 71	N/A	N/A	Sec 71 report

	BTO	withdrawals					reports			
	Number of reports on the Conditional Grants spending in accordance with DoRA and Grant Frameworks **KPI 34** **BTO**	Expenditure reports on conditional grants	Conditional Grants	Opex	12 reports on the Conditional Grants spending in accordance with DoRA and Grant frameworks by the end of June 2026	6 reports on the Conditional Grants spending in accordance with DoRA and Grant frameworks by the end of December 2025	**Achieved** 6 FMG reports for the 1st Quarter were prepared and submitted accordingly	N/A	N/A	Sec 71 report FMG Reports
	Number of SCM complianc e reports submitted **KPI. 35** **BTO**	Quarterly report on 1. Contract Management 2. Deviation report, 3. Bid awarded above R300 000 4. Number of quotations 5. 6. Repairs and maintenance UIF & W	4 SCM compliance reports to be submitted	Opex	4 SCM compliance reports submitted by the end of June 2026	2 SCM compliance reports submitted by the end of December 2025	**Achieved** 2 SCM compliance reports submitted by the end of December 2025	N/A	N/A	SCM Reports
	Financial viability as expressed by the ratios (debt coverage ratio, outstanding service debtors to revenue, and Cost coverage ratio) **KPI. 36**	Financial Viability as expressed by the ratios (debt coverage ratio 4:1, Outstanding service debtors to revenue = 3:1	12 Financial Viability Reports Expressed in Ratios	Opex	4 Financial viability ratios report by the end of June 2026	2 Financial viability ratios report by the end of December 2025	**Achieved** 2 Financial viability ratios report by the end of December 2025	N/A	N/A	Financial Rations Report

	BTO	7.Coverage age = 3:1)								
	Number of Indigent Households Receiving Free Basic Services **KPI 37** **BTO**	Free basic services are provided to households earning less than R3500. Benefits that are provided. 1. 6klm Water 2. 50 klw electricity 3. Other services at 100%	7116 indigents are currently receiving free basic services	Opex	8,000 indigent households receiving Free Basic Services by the end of June 2026	2,000 indigent households receiving Free Basic Services by the end of December 2025	**Achieved** 7880 Customers registered on the Indigent Register	• Registration activities were limited to walk-ins. • Ward committees and councillors did not participate in mobilizing or supporting the indigent registration campaign.	A lot of accounts on the system from Geluksoord Ext 3, 4 are still under Lekwa-Teemane on the system. The Housing Department should assist with information about the account holder, so that the account can be registered under the rightful owners. Services must be added to accounts so that we may be able to register indigents on the financial system Active involvement of Councillors and Ward Councillors in the indigent registration process, as they have direct knowledge of	Indigent register

								A month-long door-to-door indigent registration program was conducted in November 2025. Despite the extended effort, turnout was low, and progress was slow, primarily because many households lacked the required supporting documents. This led to a high number of incomplete applications, necessitating follow-up visits after two days to collect outstanding documentation. Even after revisits, most applicants were still unable to provide the necessary paperwork, leaving many	their communities and can support mobilisation efforts. Inclusion of Community Development Workers (CDWs) in all stages of the registration programme to strengthen outreach and verification. Revocation of free electricity tokens for all customers in Geluksoord and Christiana Town who have not renewed their indigent status for more than three years, as continued receipt of benefits reduces their motivation to reapply. Extension of the registration period, as the	

								applications in draft status. In Geluksoord, residents were particularly hesitant to engage. Some expressed concerns that the initiative resembled political campaigning and voiced frustration over repeated applications for Free Basic Services (FBS), noting that they had not received the promised free electricity. Additionally, while certain accounts have been opened, no services are currently being billed against them.	current one-month timeframe is insufficient to meet the programme's targets. Effective implementation requires coordination by the Office of the Speaker, Ward Councillors, Ward Committees, and CDWs Consideration of a full cancellation and restart of the existing indigent register to ensure accuracy and credibility. Hiring of temporary employees who will be compensated based on completed registrations (e.g., R10.00 per fully completed indigent application) to increase capacity, improve efficiency, and accelerate	

									data collection.	
	Percentage (%) collection of revenue achieved **KPI 38** **BTO**	Quarterly revenue collected against the actual billing	80% Collection rate	Opex	80% collection of revenue achieved by the end of June 2026	80% collection of revenue achieved by the end of December 2025	**Not Achieved** 55% collection of revenue achieved by the end of December 2025	Queries not resolved on time. Faulty meters and Incorrect billing. Customer information is not updated on the system (Contact details, some addresses, ID numbers), which makes it difficult to implement credit control in full. Unreliable technical personnel to execute cut-offs and reconnections. Inactive	Ward committees and ward councilors to be involved in indigent registration process as they are the ones who knows their community members. A lot of accounts on the system from Geluksoord Ext 3, 4 are still under Lekwa-Teemane on the system. The Housing Department should assist with information about the account holder, so that the account	Billing vs Collection Report

								accounts and closed accounts with outstanding balances on the system. Non-distribution of accounts to consumers	can be registered under the rightful owners. Services must be added to accounts so that we may be able to register indigents on the financial system	
	Percentage of the municipality's budget spent on implementing its workplace skills plan **KPI. 39** **CP.S**	The budgeted amount for WSP per Vote	WSP	R 500 000	100% of the municipality's budget is actually spent on implementing its workplace skills plan by the end of June 2026	50% of the municipality's budget is actually spent on implementing its workplace skills plan by the end of December 2025	**Achieved** 50% of the municipality's budget is actually spent on implementing its workplace skills plan by the end of December 2025	N/A	N/A	WSP Expenditure Report
	The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year, in terms of the municipality's integrated development plan **KPI 40** **T.S**	Report on actual spending on MIG and INEP capital expenditure	2024/2025 Expenditure	MIG: R 17 000 000 R 4 0000 000 EEDSM	100% of the municipality's capital budget is actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan Submitted by the end of June	50% of the municipality's capital budget is actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan Submitted by	**Achieved** 50% of the municipality's capital budget is actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan Submitted by the end of December 2025	N/A	N/A	MIG and EEDSM capital expenditure reports

					2026	the end of December 2025				
	Timeous submission of Annual Financial Statements to the Auditor General by the end of August **KPI 41** **BTO**	Submission of Annual Financial Statements to AGSA by 31 August 2025	Timeous submission of Draft consolidated 2024/2025 Annual Report to Internal Audit Committee & Auditor General by 31 August 2025	Opex	Timeous submission of 2024/2025 Annual Financial Statements to the Auditor General by the end of August 2026	N/A	**N/A**	N/A	N/A	Proof Approved AFS submitted to AGSA by 31 August 2025
	Percentage of audit findings addressed **KPI 42** **BTO**	Audit findings are addressed as contained in the post-audit action plan	Post Audit Action Plan	Opex	100% of audit findings addressed by the end of June 2026	N/A	**N/A**	N/A	N/A	PAAP documents
	Number of posts filled as per the approved funded structure **KPI 43**	Filling of vacant funded posts in the approved structure	10 Posts filled	Opex	10 posts filled as per the approved funded structure by the end of	5 posts filled as per the approved funded structure by the end of	**Achieved** 10 (4+6) posts filled as per the approved funded structure	N/A	N/A	Appointment Letters

	CP. S				June 2026	December 2025	by the end of December 2025			

Tab

Objective	Performance Indicator	Indicator Description	Baseline	Budget	Annual Target 2024/2025	Midterm target	Actual	Reason for deviation	Remedial Action	POE
To provide the necessary strategic support for the implementation of the SDBIP To build and enhance the human resource capacity of the municipality; To ensure that there is a good, sound industrial relationship	Number of employees employed in accordance with the Employment Equity Plan **KPI 44** **CP.S**	Under the Employment Equity Plan, target groups include individuals with disabilities and women. These groups to be considered during the recruitment and selection process	8 Employees employed according to EEP.	Opex	8 employees will be employed in accordance with the Employment Equity Plan by the end of June 2026	4 Employees will be employed in accordance with the Employment Equity Plan by the end of December 2025	**Achieved** 4 Employees employed in accordance with the Employment Equity Plan by the end of December 2025	N/A	N/A	Appointment Letters

between the employer and the employee; To create a safe working environment for all employees; To enhance corporate image	Number of officials capacitated in terms of the workplace Skills Plan **KPI 45** **CP. S**	Officials of the municipality are to be capacitated with skills as provided for in the WSP	10 officials trained during the 2025/26 Financial year.	Opex	10 Officials capacitated in terms of the WSP by the end of June 2026	4 Officials capacitated in terms of the WSP by the end of December 2025	**Achieved** 7 Officials capacitated in terms of the WSP by the end of December 2025	N/A	N/A	Training Report
	Number of councilors trained **KPI 46** **CP. S**	Councillors capacitated in line with the skills provided for in the WSP	14 Councilors Trained in 2025/26	Opex	7 Councilors trained by the end of June 2026	7 Councilors trained by the end of December 2025	**Not Achieved** No Councilors trained by the end of December 2025	Insufficient budget	Request the budget to be adjusted during the adjustment budget	Training Report
	Number of learnership opportunities created **KPI 47** **CP. S**	Unemployed youth and employees enrolled in the learnerships in line with the WSP	20 learnership opportuniti es created	Opex	20 learnership opportunities created by the end of June 2026	10 learnershi p opportuniti es created by the end of December 2025	**Achieved** 50 learnership opportunities created by the end of December 2025	N/A	N/A	Appointment letters
	Number of reports on the workplace skills plan submitted to LGSETA **KPI 48** **CP. S**	Report on the implementation of the WSP	1 report on the workplace skills plan submitted to LGSETA	Opex	1 report on the workplace skills plan submitted to LGSETA by October 2026	1 report on the workplace skills plan submitted to LGSETA by October 2025	**Achieved** 1 report on the workplace skills plan submitted to LGSETA by October 2025	N/A	N/A	Report on WSP
	Number of Local Labour Forum meetings held **KPI 49** **CP. S**	Records of the LLF meetings	4	Opex	4 Local Labour Forum Meetings held by the end of June 2026	2 Local Labour Forum Meeting held by the end of December 2025	**Achieved** 2 Local Labour Forum Meeting held by the end of December 2025	N/A	N/A	Attendance Register and Minutes

	Number of reports on the implementation of the Occupational Health and Safety policy **KPI.50** **CP.S**	Quarterly reports on the implementation of OHS	4 reports on the implementation of the Occupational Health and Safety policy by the end of June 2026	Opex	4 reports on the implementation of the Occupational Health and Safety policy by the end of June 2026	2 Reports on the implementation of the Occupational Health and Safety policy by the end of December 2025	**Achieved** 2 Reports on the implementation of the Occupational Health and Safety policy by the end of December 2025	N/A	N/A	Quarterly Report
	Number of reports submitted to council on disciplinary cases **KPI 51** **CP. S**	Quarterly reports on new developments or progress on the ongoing disciplinary cases	4 Reports submitted to the council on disciplinary cases by the end of June 2025	Opex	4 Reports submitted to the council on disciplinary cases by the end of June 2026	2 Report submitted to the council on disciplinary cases by the end of December 2025	**Achieved** 2 Report submitted to the council on disciplinary cases by the end of December 2025	N/A	N/A	Quarterly Report
	Number of SDBIP quarterly performance reports generated **KPI. 52** **MM**	Performance is reported every quarter	4 SDBIP quarterly performance report submitted	Opex	1 SDBIP quarterly performance reports generated by the end of June 2026	1 SDBIP quarterly performance reports generated by the 2nd week of January 2026	**N/A**	N/A	N/A	

	Number of annual municipal performance reports developed in compliance with section 46 **KPI. 53** **MM**	Annual Municipal Performance was developed to measure Institutional performance	Annual Report submitted.	Opex	1 Annual municipal performance report developed in compliance with section 46 by the end of August 2025	N/A	**N/A**	N/A	N/A	Annual Municipal Performance Report
	Municipal Council oversight report submitted to Council **KPI 54** **MM**	Oversight report of the MPAC on the Annual report	Municipal Council Oversight report submitted	Opex	1 Municipal Council oversight report submitted to Council by the end of March 2025	N/A	**N/A**	1 Municipal Council oversight report submitted to Council by the end of March 2026	N/A	Council oversight report resolution
	Number of signed performance agreements by MM and Section 56 employees **KPI 55** **MM**	Signed performance agreements inclusive of PDP, Scorecard & Reg 2006 by MM and Section 56 employees	3 Performance Agreements signed.	Opex	5 signed performance agreements by MM and Section 56 employees by July 2026	N/A	**N/A**	N/A	N/A	Signed Performance Agreements
	Mid-Term performance assessment conducted **KPI 56** **MM**	Performance report detailing the performance of the municipality for the 1st half of the financial year, sec.72 MFMA	2025/26Mid-Term report	Opex	1 Mid-Term performance assessment conducted on 25 January 2026	N/A	**N/A**	1 Mid-Term performance assessment conducted on 25 January 2026	N/A	Mid-term Assessment Report

	Approved SDBIP **KPI 57** **MM**	Approval of the SDBIP by the Mayor within 28 days after adoption of the budget in terms of Section 53 of the MFMA	Approved SDBIP within days of adoption of the budget.	Opex	1 Approved SDBIP by the end of June 2025	N/A	**N/A**	N/A	1 Approved SDBIP by the end June 2026	Approved SDBIP
	Number of employee wellness Programmes conducted **KPI 58** **CP.S**	A wellness programme	3 Employee Wellness Programme conducted (sport & welcoming for new Senior Managers)	Opex	2 employee wellness programmes will be conducted by the end of June 2025	2 Employee wellness programmes will be conducted by the end of December 2025	**Achieved** 2 Employee wellness programmes will be conducted by the end of December 2025	N/A	N/A	Wellness Programme report
	Number of IDP Representative meetings held **KPI 59** **MM**	IDP Consultative Forum	1 IDP Rep Forum Meetings Held	Opex	2 IDP Representative meetings Held by the end of June 2026	N/A	**N/A**	N/A	N/A	Minutes/registers/invites
	% council resolutions implemented	To coordinate the updating of the Council Resolution Register	4 matrix Resolution Register Developed	Opex	100% Implementation of Council resolutions by the end of June 2025	100% implementation of Council resolutions passed in the second quarter	**Achieved** 100% implementation of Council resolutions	N/A	N/A	Resolution Register

	KPI 60 **CP. S**					by the end of December 2025	passed in the second quarter by the end of December 2025			

le 4: KEY PERFORMANCE AREA 4: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

TABLE 5.KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Objective	Performance Indicator	Indicator Definition	Baseline	Budget	Annual Target 2024/2025	Midterm Target	Actual	Reason for Deviation	Remedial Action	POE
To ensure good governance.	Number of Newsletters produced **KPI.61** **CP.S**	The generation of a newsletter reflecting all activities in the Municipalities	New	Opex	2 Newsletters produced by the end of June 2026	1 Electronic Newsletters will be produced by the end of December 2025.	**Achieved** 1 Electronic Newsletters produced by the end of December 2025.	N/A	N/A	Copy of Newsletter
	Number of Municipal Annual Reports submitted to Council **KPI. 62** MM	Submission and tabling of the Annual report to Council	2024/25 Annual Report	Opex	1 Annual Report submitted to Council by the end June 2026	N/A	**N/A**	1 Annual Report to be submitted to Council by the end January 2026	N/A	Copy of Annual Report
	Number of risk registers updated **KPI.63** **MM**	4 Risk register developed in the first quarter and updated quarterly	Risk Registers	Opex	2 Risk registers updated by the end of June 2026	2 Reviewed and updated the risk register by the end of December 2025	**Achieved** 2 Reviewed and updated the risk register by the end of December 2025	N/A	N/A	Final Risk Register supported by review minutes from quarters two, three, and four.

Number of Ward committee meetings held **KPI.64** **CP.S**	Every ward committee of the 7 wards is expected to hold at least one meeting per month	84 Committee meetings held.	Opex	84 Ward committee meetings held by the end of June 2026	42 Ward Committee meetings held by the end of December 2025	**Achieved** 42 Ward Committee meetings held by the end of December 2025	N/A	N/A	Registers and minutes of meetings

TABLE 6 KEY PERFORMANCE AREA NO.6 : SPARTIAL RATIONALE

Objective	Performance Indicator	Indicator Description	Baseline	Budget	Annual Target 2024/2025	Midterm Target	Actual	Reason for deviations	Remedial Actions	POE
Good integrated governance	Number of IDPs adopted by the council **KPI.65** **MM**	Adoption of the IDP by the Council	2024/25 IDP	Opex	1 IDP adopted by the council by the end of May 2024	**N/A**	N/A	N/A	N/A	Adopted IDP/Resolution

I, ***Khuthaza Zingiza Kgatlha,*** the Municipal Manager of Lekwa Teemane Local Municipality (NW 396), hereby certify that the: -

- *The mid-term Budget and performance assessment report for* the 2025/26 FY, from the months of *1st July to 31 December 2025,* has been prepared in accordance with Section 72 of the Municipality Finance Management Act 56 of 2003 and regulations made under that Act.

ACKNOWLEDGMENT OF RECEIPT

MAYOR: CLLR.SEBANG MOTLHABI

SIGNATURE: ______________________

DATE 25/01/2026