CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

DATE:

REPORT TO: COUNCIL

NON-CONFIDENTIAL

1. ITEM NUMBER

2. SUBJECT

QUARTERLY FINANCIAL REPORT: JUNE 2026
(LSUA1980)

ONDERWERP
KWARTAALLIKSE FINANSIËLE VERSLAG: JUNIE 2026

ISIHLOKO
INGXELO YEMALI YARHOQO NGEKOTA: EYESILIMELA 2026

3. DELEGATED AUTHORITY

In terms of delegation

This report is for NOTING BY

☐ **Committee name** :

☐ The Executive Mayor together with the Mayoral Committee (MAYCO)

☑ Council

4. DISCUSSION

The Municipal Finance Management Act (MFMA) requires municipalities to submit regular reports on matters related to the municipality's financial performance.

The quarterly financial report is submitted in accordance with Section 52 of the MFMA and provides an overview of the City's budget implementation status and its financial viability and sustainability.

This report presents the financial position of the abovementioned indicators as at 30 June 2026. These financial results are provisional and subject to change as a result of year-end processes.

4.1. Financial Implications ☑ None ☐ Opex ☐ Capex

☐ Capex: New Projects

☐ Capex: Existing projects requiring additional funding

☐ Capex: Existing projects with no Additional funding requirements

4.2. Policy and Strategy ☐ Yes ☑ No

4.3. Legislative Vetting ☐ Yes ☑ No

4.4. Legal Implications ☑ Yes ☐ No

Municipal Finance Management Act, 2003 (Act 56 of 2003), Section 52

4.5. Staff Implications ☐ Yes ☑ No

4.6. Risk Implications

☐ Yes The risks for approving and/or not approving the recommendations are listed below:

☐ No Report is for decision and has no risk implications.

☑ No Report is for noting only and has no risk implications.

POPIA Compliance

☑ Yes It is confirmed that this report and the content of the annexures have been checked and considered for POPIA compliance.

4.7. Confidentiality Compliance

☑ Yes

It is confirmed that this report and the content of the annexures have been checked and considered for Confidentiality compliance.

5 RECOMMENDATIONS

a) The quarterly financial report for the quarter ended 30 June 2026 is submitted for information and noting only.

AANBEVELING

a) Die kwartaallikse finansiële verslag vir die kwartaal geëindig 30 Junie 2026 word slegs ter inligting en kennisname voorgelê.

ISINDULULO

a) INgxelo yeMali yaRhoqo ngeKota yekota ephele ngowama- 30 eyeSilimele 2026 ingeniselwa iinjongo zolwazi nokuqatshelwa kuphela.

ANNEXURES

Annexure A: Quarterly Financial Report (MFMA S52) – 30 June 2026
Annexure B: 2025/26 Q4 Corporate Performance Report
Annexure C: WC FMCG Non-financial Quarterly Return Form

FOR FURTHER DETAILS CONTACT

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E-MAIL ADDRESS	CARL.STROUD@CAPETOWN.GOV.ZA		
DIRECTORATE	FINANCE	FILE REF NO	CV 2729
SIGNATURE : DIRECTOR			

Making progress possible. Together.

CHIEF FINANCIAL OFFICER

NAME	KEVIN JACOBY	COMMENT:
DATE		
SIGNATURE		

THE CFO'S SIGNATURE REPRESENTS SUPPORT FOR THE REPORT AND ANNEXURE CONTENTS AND CONFIRMS POPIA COMPLIANCE

MAYORAL COMMITTEE MEMBER

NAME	CLLR SISEKO MBANDEZI	COMMENT:
DATE		
SIGNATURE		

LEGAL COMPLIANCE

☐ REPORT COMPLIANT WITH THE PROVISIONS OF COUNCIL'S DELEGATIONS, POLICIES, BY-LAWS AND ALL LEGISLATION RELATING TO THE MATTER UNDER CONSIDERATION.

☐ NON-COMPLIANT

NAME

COMMENT:

DATE

SIGNATURE

EXECUTIVE MAYOR

NAME

GEORDIN HILL-LEWIS

COMMENT:

DATE

SIGNATURE

Making progress possible. Together.

CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE A

QUARTERLY FINANCIAL REPORT
(MFMA S52)

JUNE 2026 – QUARTER 4
(PROVISIONAL RESULTS)

EXECUTIVE SUMMARY

BACKGROUND

Section 52 of the MFMA states:

“The mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality;".

Regulation 31 of the MBRR states:

"The S52 Mayor's Report must be in the format specified as per Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Municipal Management Finance Act; and must be consistent with the monthly budget statements for September, December, March and June as applicable;...".

MAYOR’S QUARTERLY REPORT FOR THE PERIOD ENDING 30 JUNE 2026

The Mayor's Quarterly Report is prepared in compliance to Section 52 of the MFMA and sets out financial particulars in the format prescribed by the MFMA and the MBRR.

It provides a high level overview of the organisation’s financial viability and sustainability.

The financial results submitted herewith are provisional and subject to change as a result of year-end processes.

SUMMARY OF CONTENT

KEY DATA

OPERATING BUDGET

Operating Budget R'Thousands	Budget 2025/26	YearTD budget 2025/26	YearTD actual 2025/26	YTD variance	Full Year Forecast
Total Revenue (excl. capital transfers and contributions, and water inventory)	65 297 067	65 297 067	66 370 004	1 072 937	66 564 645
Total Expenditure (excl. water inventory)	64 875 148	64 875 148	62 785 737	(2 089 411)	63 458 865
Surplus/(Deficit)	**421 919**	**421 919**	**3 584 267**	**3 162 348**	**3 105 779**

Note: NT, in terms of mSCOA and the MBRR reporting, requires municipalities to report on water inventory as gains, inventory consumed, and losses. This table discloses the financial performance with all water inventory accounts as a net on expenditure.

CAPITAL BUDGET

Capital Budget R'Thousands	Budget 2025/26	YearTD budget 2025/26	YearTD actual 2025/26	YTD variance	Full Year Forecast
Total Capital Expenditure	13 475 562	13 475 562	11 512 778	(1 962 784)	12 326 500

FINANCIAL POSITION

Working Capital	Audited Outcome 2024/25	Original Budget 2025/26	Adjusted budget 2025/26	YearTD actual
Cost coverage ratio[3]				
Cash and investments at period end less restricted cash/Monthly operating Expenditure	1.73:1	-	-	2.95:1
Liquidity				
Current Ratio (Current assets/current liabilities)[4]	1.75	1.55	1.62	1.57
Borrowing				
Capital Charges to Operating Expenditure (Interest & principal paid/Operating Expenditure)[5]	-2.86%	3.60%	3.05%	3.00%
Borrowed funding of 'own' capital expenditure (Borrowings/Capital expenditure excl. transfers and grants)[6]	86.87%	55.51%	54.76%	49.65%
Financial Position (R'Thousands)[7]				
Total Assets	99 513 559	110 765 156	109 358 998	110 220 033
Total Liabilities	26 697 052	37 225 107	31 869 985	30 431 558
Cash Flow (R'Thousands)				
Cash/cash equivalents at month/year end	10 576 530	6 340 418	9 398 399	13 349 814

- **Cost coverage ratio**[3]
  This ratio indicates a municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue during that period.

  The ratio outcome for the period under review is 2.95 months, which falls within the National Treasury norm of 1-3 months (MFMA Circular 71).

- **Current Ratio**[4]
  This ratio assess a municipality's ability to pay back its short-term liabilities (debt and payables) with its short-term assets (cash, inventory and receivables).

  The year-to-date ratio outcome of 1.57:1 shows that the City has sufficient cash to meet its short-term financial obligations as it is above the National Treasury norm of 1.5:1 to 2:1 (MFMA Circular 71). A ratio above one indicates that the City would be able to pay all its current or short-term obligations if they fall due at any specific point.

- **Capital Charges to Operating Expenditure**[5]
  This ratio indicates the cost required to service the borrowing of a municipality. It assesses the borrowing or payment obligation expressed as a percentage of total operating expenditure.

  The year-to-date ratio outcome is 3.00% and is below the National Treasury norm of 6% to 8% (MFMA Circular 71). The ratio is budgeted at 3.05% for the 2025/26 financial period. This is a result of the City's borrowing strategy.

- **Borrowed funding of 'own' Capital Expenditure**[6]
  The ratio indicates the extent of capital expenditure financed from borrowed funding compared to own and other funding sources, excluding transfers and grant funded expenditure.

  This ratio is budgeted at 54.76% resulting from the budgeted uptake of external borrowing over the 2025/26 financial period. The ratio outcome is 49.65% for the period under review.

- **Financial Position**[7]
  Movements on the operating- and capital budget will impact on the financial position. Underspending on the capital budget will, for instance, lead to the property, plant and equipment result being less than budget. As such the outcome and related reasons for variances in the operating- and capital budget forms a critical link in determining the variance on the financial position of a municipality. The final outcomes for the financial position will only be known once year-end transactions have been finalised.

- **Cash Flow**
  Cash and cash equivalents amount to R13 350 million as at 30 June 2026. This positive cash position has been maintained since the previous financial year. The funds are invested in compliance with the MFMA and City's Cash Management and Investment policy.

Debtors

Debt management is carried out in terms of the City's Credit Control and Debt Collection Bylaw and Policy. Outstanding debtors per category are reflected in the table below.

Debtors R Thousands	Current - 0 to 30 days	31-60 Days	61 days and over	TOTAL
Water	488 075	93 394	2 008 135	2 589 604
Electricity	861 985	70 027	705 941	1 637 953
Rates	818 585	107 671	1 334 785	2 261 040
Sewerage	250 623	39 638	744 492	1 034 753
Refuse	175 440	25 045	471 649	672 135

The 12-months moving average YTD collection ratio (reflected in the table below) is for the period July 2025 to June 2026 and therefore reflects a more favourable 12-months position.

The monthly collection ratio per service (reflected in the table below) is a more accurate reflection of the City's current collection ratio for property rates, electricity, water, sewerage, City-Wide Cleaning and refuse, bearing in mind that this calculation is based on NT MFMA Circular 71, which takes the opening and closing balances, billing, write-offs etc. into account.

Debtors Collection Rate %	12 Months Moving Average Collection Ratio Previous year 2024/2025	12 Months Moving Average Collection Ratio Current year 2025/2026	YTD Monthly Collection Ratio Per Service	Monthly Collection Ratio Per Service
Electricity	98.57%	100.71%	100.71%	112.54%
Water	92.48%	92.30%	92.30%	101.07%
Sewerage	97.02%	96.87%	96.87%	101.48%
City-Wide Cleaning	0.00%	89.97%	89.97%	96.58%
Refuse	95.98%	95.77%	95.77%	95.17%
Rates	97.59%	98.77%	98.77%	105.17%
Other	95.66%	96.54%	96.54%	104.21%

The overall collection ratio results for June 2026 are reflected in the table below:

Overall Collection Ratio	
Period	**Current year**
12 Months	98.25%
6 Months	98.01%
3 Months	98.73%
Monthly	104.87%

The 12 Months Moving Average Payment Ratio (as per the above table) for the 12 months ended 30 June 2026 is 98.25%.

Human Resources

Human Resources	Audited Outcome 2024/25	Original Budget 2025/26	Adjusted Budget 2025/26	YearTD actual 2025/26
Employee and Councillor remuneration **(R'Thousands)**	18 715 426	21 086 819	20 990 746	19 774 513
Employee Costs (Employee costs/Total Revenue - capital revenue)	27.7%	29.5%	29.1%	27.1%
Total Cost of Overtime **(R'Thousands)**	1 030 426	1 024 125	1 220 169	1 119 957

Employee related costs are influenced by ongoing terminations, the turnaround time of filling vacancies and the internal filling of vacancies.

Details on senior managers' remuneration and the remuneration of other municipal staff can be found in *Councillor and staff benefits* on page 95.

Staff Complement

Municipal Employees (numbers)	Staff Establishment as at 1 July 2025	June 2026
Filled posts - Permanent	28 239	30 237
Filled posts - Temporary	2 104	1 661
Vacant posts - Permanent	4 219	3 647
	34 562	**35 545**

The table above reflects total establishment including total number of vacancies, however when dividing vacancies over staff establishment, it will express vacancies as a percentage of total staff establishment and not the vacancy rate

Municipal Councillors (numbers)	Councillor positions as at 1 July 2025	June 2026
Municipal Councillors	231	229
Municipal Councillors - Vacancies	-	2
	231	**231**

The City had 3647 vacancies as at 30 June 2026; 11 173 positions were filled (3847 internal, 1453 external, 1219 rehired, 4654 EPWP) with 2259 terminations processed since the beginning of the financial year. The filling of vacancies is on-going and seasonal staff are appointed as and when required.

The table below shows the staff movement (number and value of vacancies) per directorate for the year-to-date.

Directorate	Staff Establishment 31 May 2026			Staff Movement for period 1 to 30 June 2026								Staff Establishment 30 June 2026			Progress of vacancies and actions to reduce number of vacant posts
				APPOINTMENTS					TERMINATIONS						
	Number of posts	Value of posts	Vacancy Rate	Internal	External	Rehire	EPWP	TOTAL	Resigna-tions	Other	TOTAL	Number of posts	Value of posts	Vacancy Rate	
City Manager	**370**	**R 332 312 005**	**4.05%**	2	1	2	0	5	0	0	0	**370**	**R 332 752 375**	**3.51%**	The vacancy rate in OCM has decreased from 4.05% to 3.51% as at the end of June 2026 due to 5 appointments made during the period of review. A further 1 appointment is anticipated for July 2026.
Community Services & Health	**5539**	**R 2 733 429 234**	**5.11%**	21	15	8	0	44	12	27	39	**5538**	**R 2 733 466 723**	**5.56%**	The vacancy rate has increased from 5.11% at the end of May 2026 to 5.56% at the end of June 2026. This is well below the Corporate target vacancy rate of 10%. The Directorate reported 39 terminations and made 44 appointments excluding EPWP workers during the period under review. The Directorate has currently 468 vacancies of which 160 are in various stages of filling. Departments continue with weekly/bi-weekly recruitment and selection (R&S) update meetings to track and ensure movement on the R&S processes.
Corporate Services	**2701**	**R 1 885 253 304**	**5.15%**	23	5	8	0	36	2	13	15	**2706**	**R 1 884 821 505**	**3.66%**	The Directorate's vacancy rate has decreased from 5.15% to 3.66% In ongoing efforts to further reduce this rate, Corporate Services has implemented several targeted interventions: - Bi-weekly monitoring sessions are held to track all vacancies and their current status. - Vacancies older than 6 months are being prioritised for urgent filling. - Bi-weekly engagements with assigned HR Practitioners are conducted, supplemented by additional support from the HRBP Office, to address recruitment delays and streamline processes.

Table continues on next page.

Directorate	Staff Establishment 31 May 2026			Staff Movement for period 1 to 30 June 2026								Staff Establishment 30 June 2026			Progress of vacancies and actions to reduce number of vacant posts
				APPOINTMENTS					TERMINATIONS						
	Number of posts	Value of posts	Vacancy Rate	Internal	External	Rehire	EPWP	TOTAL	Resigna-tions	Other	TOTAL	Number of posts	Value of posts	Vacancy Rate	
Economic Growth	**396**	**R 338 088 827**	**4.80%**	4	2	0	0	6	0	0	0	**395**	**R 336 794 511**	**6.58%**	The Directorate currently has a vacancy rate of 6.58%, reflecting an increase from the previous month. The Directorate currently has 37 vacant positions in total of which 11 are in various stages of the R&S process. The increased rate is mainly due to the finalisation of the Departmental realignment processes, which resulted in additional positions. Ongoing collaboration with Line Management and Corporate R&S, supported by structured project plans, ensures effective monitoring of recruitment progress and the timely filling of vacancies.
Energy	**2854**	**R 1 586 415 018**	**5.43%**	63	44	0	0	107	2	8	10	**2860**	**R 1 589 688 410**	**6.85%**	Departments have weekly/bi-weekly R&S update meetings to track and ensure movement on the R&S process and to prioritise vacancies nine months or older. Pools of competent candidates for certain designations i.e. workers, maintenance assistants, artisans, foremen and clerks are being generated so that a Notice of Appointment (NoA) can be processed when positions become available [piggyback]. There is a focused approach, where possible, to fill the Directorate's database with ready-to-appoint candidates as vacancies occur. The Directorate has appointed an Assistant Professional Officer to focus solely on the bulk processes in order to reduce the turnaround time of filling vacancies. The bulk of vacancies is caused by internal appointments, but a focused approach is followed to reduce the number of vacancies.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2026 Q4 (June 2026 – Provisional Results)

Directorate	Staff Establishment 31 May 2026			Staff Movement for period 1 to 30 June 2026								Staff Establishment 30 June 2026			Progress of vacancies and actions to reduce number of vacant posts
				APPOINTMENTS					TERMINATIONS						
	Number of posts	Value of posts	Vacancy Rate	Internal	External	Rehire	EPWP	TOTAL	Resignations	Other	TOTAL	Number of posts	Value of posts	Vacancy Rate	
Finance	**1858**	**R 1 149 928 758**	**2.10%**	38	7	3	0	48	3	2	5	**1849**	**R 1 138 395 470**	**2.49%**	Most of the vacancies within the Finance Directorate are consequential vacancies as a result of internal appointments.
Future Planning & Resilience	**396**	**R 428 841 677**	**3.03%**	2	1	0	0	3	4	0	4	**397**	**R 427 900 578**	**4.03%**	The vacancy rate increased from 3.03% to 4.03% as at the end of June 2026, due to resignations during the reporting period. A further 7 appointments are anticipated for July to August 2026.
Human Settlements	**958**	**R 559 057 893**	**4.38%**	12	0	0	0	12	1	3	4	**958**	**R 559 415 369**	**4.80%**	The challenges in filling posts include: Recruitment capacity - 2/3 resources operating; limited skills in the market at manager/head level; due to Engineering Council of South Africa (ECSA) requirements for engineering roles, limited qualified professionals and limited suitably qualified internal candidates. There is focussed attention on vacancies older than 2 years through headhunting, shortlist reviews and LinkedIn leads. In order to shorten the turnaround time, vacancies are being filled by means of grouping bulk positions and using adverts and applications received (Bulk posts) in other directorates. For individual posts (not Bulk), line to do assessments before adverts close. All job descriptions, which require amendments prior to advertising must be updated within one month. Bi-weekly R&S engagements are held to discuss strategy to fill and progress to fast track. Commencement of the R&S process occurs prior to date of retirement to prevent delays in filling vacancies.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2026 Q4 (June 2026 – Provisional Results)

Directorate	Staff Establishment 31 May 2026			Staff Movement for period 1 to 30 June 2026								Staff Establishment 30 June 2026			Progress of vacancies and actions to reduce number of vacant posts
				APPOINTMENTS					TERMINATIONS						
	Number of posts	Value of posts	Vacancy Rate	Internal	External	Rehire	EPWP	TOTAL	Resigna-tions	Other	TOTAL	Number of posts	Value of posts	Vacancy Rate	
Safety & Security	**7817**	**R 3 375 692 329**	**9.99%**	47	13	5	0	65	11	19	30	**7700**	**R 3 342 456 903**	**8.51%**	The Executive Director: Safety & Security has issued a directive that a vacancy rate of 1% must be maintained, and all efforts, in conjunction with Corporate and HRBP office, be put in place to meet this target. Vacancies 12 months and older are subjected to intense scrutiny by ED in the bi-weekly senior management meetings. Heads of Departments are required to account for delays in filling of vacancies and must indicate action plans to expedite the filling thereof. Monthly and bi-weekly collaboration meetings take place between HRBP, Support Managers and Corporate HR Practitioner. All vacancies are project managed within each department. "Dove tailing" (piggy backing) takes place on R&S processes of same positions within Safety & Security and other directorates. The Directorate has embarked on a process whereby all vacant supervisory positions (to a maximum of T13) can be filled via the advancement process. This was approved by the City Manager and applies to the Safety & Security Directorate only. The ED has directed that all new vacancies up to level T13 be filled by using this new method. This is referred to as the Restrictive Competitive Advancement Process (RECAP). There are currently 52 positions being filled via the RECAP process and will significantly reduce the vacancy rate, especially consequential vacancies.
Spatial Planning & Environment	**1154**	**R 857 345 124**	**9.27%**	19	0	3	0	22	1	1	2	**1155**	**R 856 497 796**	**7.36%**	The Directorate continues to implement a R&S plan - programming prioritised filling of vacancies with predetermined turnaround times and processes to create a pipeline of position-ready candidates per job segment, where appropriate, and advertising of job families – to mitigate the impact of consequential vacancies, optimise turnaround times, reduce vacancy age profile and enable fast-tracking of filling relevant positions.

Table continues on next page.

Directorate	Staff Establishment 31 May 2026			Staff Movement for period 1 to 30 June 2026								Staff Establishment 30 June 2026			Progress of vacancies and actions to reduce number of vacant posts
				APPOINTMENTS					TERMINATIONS						
	Number of posts	Value of posts	Vacancy Rate	Internal	External	Rehire	EPWP	TOTAL	Resigna-tions	Other	TOTAL	Number of posts	Value of posts	Vacancy Rate	
Urban Mobility	**2092**	**R 1 066 935 316**	**5.78%**	14	1	2	0	17	3	5	8	**2093**	**R 1 067 923 804**	**4.01%**	The vacancy rate has decreased from 5.78% to 4.01%. There is a large number of posts currently in the R&S process at the following stages: HR300s to be initiated - 11 HR300s in process - 14 HR300s with R&S - 36 Advert stage - 43 Shortlisting - 13 Interview - 5 Notice of Appointment - 59 The HR Business Partners work very closely with Corporate HR and R&S. The Directorate's Support Service Managers are constantly following up on outstanding matters regarding vacancies. Many vacant positions are filled with internal staff which results in consequential vacancies. The Directorate is in a process of analysing the need of all vacancies older than one year. These vacancies will be prioritised for filling or abolishment to create new positions in areas where additional positions are required.
Urban Waste Management	**4118**	**R 1 435 842 531**	**3.57%**	9	3	3	0	15	2	17	19	**4118**	**R 1 435 048 301**	**3.64%**	The bulk R&S project has yielded positive results. The Directorate managed to fill more than 95% of the positions that were created for cleaning of the Main Arterials. The recruitment of senior foreman positions has been concluded which will result in a further decrease of the vacancy rate. R&S processes will now focus on senior and specialist vacancies.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2026 Q4 (June 2026 – Provisional Results)

Directorate	Staff Establishment 31 May 2026			Staff Movement for period 1 to 30 June 2026								Staff Establishment 30 June 2026			Progress of vacancies and actions to reduce number of vacant posts
				APPOINTMENTS					TERMINATIONS						
	Number of posts	Value of posts	Vacancy Rate	Internal	External	Rehire	EPWP	TOTAL	Resigna-tions	Other	TOTAL	Number of posts	Value of posts	Vacancy Rate	
Water & Sanitation	**5398**	**R 2 616 166 123**	**5.80%**	59	21	8	0	88	4	5	9	**5406**	**R 2 615 309 098**	**7.12%**	The vacancy rate within the Water & Sanitation Directorate has shown an increase from the previous month, primarily due to terminations and new creations. To further support Corporate R&S and continue improving the vacancy rate, the HRBP is actively driving the following initiatives: Panel Participation: HRBP Senior Professional Officers (SPOs) and Professional Officers (POs) are contributing by serving on interview panels. Process Management: HRBP POs are assisting the R&S team throughout the recruitment lifecycle - from shortlisting to final placement. Administrative Support: A dedicated student R&S admin team has been established to handle scheduling, candidate communication, assessment scanning, venue bookings, and other administrative tasks. This allows R&S practitioners to focus on assessments and interviews. Regular Engagements: Continuous engagement with the R&S team ensures that any concerns or process bottlenecks are addressed promptly. Bulk Recruitment & Alternative Talent Pools: The HRBP is also utilising bulk recruitment strategies and exploring alternative candidate pools to expedite vacancy filling.
TOTAL	**35651**	**R 18 365 308 139**	**6.10%**	313	113	42	0	468	45	100	145	**35545**	**R 18 320 470 843**	**5.93%**	

The vacancy rate is calculated by dividing the total number of permanent vacancies, **less** posts in process of being filled, over total staff establishment.

The table below shows the calculation of the achieved vacancy rate.

Directorate	Filled Posts (Perm)	Filled Posts (Temp)	Vacant Posts			Total Posts	Achieved Vacancy Rate (E/F)
	No of Staff (A)	No of Staff (B)	No of Posts (C)	In Process (D)	No of Actual Vacancies (C - D) (E)	No Of Posts (A+B+E) (F)	
Community Services and Health	5 035	35	468	160	**308**	**5 538**	**5.56%**
Corporate Services	2 298	225	183	84	**99**	**2 706**	**3.66%**
Economic Growth	357	1	37	11	**26**	**395**	**6.58%**
Energy	2 550	6	304	108	**196**	**2 860**	**6.85%**
Finance	1 738	17	94	48	**46**	**1 849**	**2.49%**
Future Planning and Resilience	356	17	24	8	**16**	**397**	**4.03%**
Human Settlements	816	24	118	72	**46**	**958**	**4.80%**
City Manager	323	31	16	3	**13**	**370**	**3.51%**
Safety and Security	5 458	1 281	961	306	**655**	**7 700**	**8.51%**
Spatial Planning and Environment	1 011	4	140	55	**85**	**1 155**	**7.36%**
Urban Mobility	1 884	17	192	108	**84**	**2 093**	**4.01%**
Urban Waste management	3 722	-	396	246	**150**	**4 118**	**3.64%**
Water and Sanitation	4 689	3	714	329	**385**	**5 406**	**7.12%**
Total	**30 237**	**1661**	**3647**	**1 538**	**2 109**	**35 545**	**5.93%**

The table below shows the number of posts per T-grade level per directorate.

Directorate	Number of posts per T-Grade							
	T1 -T5	T6 -T9	T10 -T13	T14 - T16	T17 -T18	T19 - T22	T23 - T24	Total
Community Services & Health	162	184	99	20	2	1	0	**468**
Corporate Services	38	30	64	43	7	1	0	**183**
Economic Growth	6	4	17	7	3	0	0	**37**
Energy	108	64	88	35	8	1	0	**304**
Finance	50	18	15	10	1	0	0	**94**
Future Planning & Resilience	2	3	5	12	2	0	0	**24**
Human Settlements	45	24	25	21	3	0	0	**118**
Office of the City Manager	4	0	4	7	0	1	0	**16**
Safety And Security	119	668	148	23	2	1	0	**961**
Spatial Planning And Environment	31	20	53	31	2	3	0	**140**
Urban Mobility	75	63	26	23	1	4	0	**192**
Urban Waste Management	208	111	45	28	2	2	0	**396**
Water & Sanitation	284	229	122	75	4	0	0	**714**
Total	**1132**	**1418**	**711**	**335**	**37**	**14**	**0**	**3647**

The table below provides an age analysis of vacancies per directorate.

DIRECTORATE	Less Than 6 Months	6 to 12 Months	1 to 2 Years	More Than 2 Years	Grand Total	Vacancies one year and older as a % of total vacancies
Community Services & Health	299	76	65	28	468	19.9%
Corporate Services	133	34	11	5	183	8.7%
Economic Growth	24	6	5	2	37	18.9%
Energy	177	57	42	28	304	23.0%
Finance	87	7	0	0	94	0.0%
Future Planning & Resilience	20	4	0	0	24	0.0%
Human Settlements	66	30	8	14	118	18.6%
Office of the City Manager	14	1	0	1	16	6.3%
Safety & Security	488	262	153	58	961	22.0%
Spatial Planning & Environment	89	33	6	12	140	12.9%
Urban Mobility	122	47	20	3	192	12.0%
Urban Waste management	220	88	47	41	396	22.2%
Water & Sanitation	392	157	85	80	714	23.1%
Grand Total	**2 131**	**802**	**442**	**272**	**3 647**	**19.6%**

BUDGET PERFORMANCE ANALYSIS

Summary Statement of Financial Performance

Description R'Thousands	Original Budget 2025/26	Adjusted Budget 2025/26	YearTD budget 2025/26	YearTD actual 2025/26	YTD variance	Full Year Forecast
Total Revenue (excl. capital transfers and contributions, and water inventory)	64 697 964	65 297 067	65 297 067	66 370 004	1 072 937	66 564 645
Total Expenditure (excl. water inventory)	65 242 663	64 875 148	64 875 148	62 785 737	(2 089 411)	63 458 865
Surplus/(Deficit)	**(544 699)**	**421 919**	**421 919**	**3 584 267**	**3 162 348**	**3 105 779**

Note: NT, in terms of mSCOA and the MBRR reporting, requires municipalities to report on water inventory as gains, inventory consumed, and losses. This table discloses the financial performance with all water inventory accounts as a net on expenditure.

Continuous identification of under-/over expenditure is taking place and communicated to line thereby affording line the opportunity to redirect potential savings to other needy/priority areas in their areas of responsibility.

Funds and savings are transferred to priority areas to facilitate operational needs and address critical service delivery realities.

Any instances of apparent non-compliance are addressed by the relevant finance officials.

REVENUE

Main revenue sources for 2025/26

Description R thousands	Budget Year 2025/26						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue							
Exchange Revenue							
Service charges - Electricity	23 663 555	23 663 555	24 218 173	23 663 555	554 618	2.3%	24 218 149
Service charges - Water	5 776 241	5 868 665	5 907 911	5 868 665	39 245	0.7%	5 868 495
Service charges - Waste Water Management	2 966 006	2 963 426	3 067 207	2 963 426	103 781	3.5%	2 963 426
Service charges - Waste management	1 658 640	1 610 811	1 594 707	1 610 811	(16 104)	-1.0%	1 593 314
Sale of Goods and Rendering of Services	816 579	732 137	782 118	732 137	49 981	6.8%	806 185
Agency services	302 874	302 874	299 677	302 874	(3 197)	-1.1%	299 405
Interest	–	–	–	–	–	-	–
Interest earned from Receivables	339 731	329 033	336 403	329 033	7 370	2.2%	328 583
Interest from Current and Non Current Assets	758 522	1 309 154	1 512 127	1 309 154	202 973	15.5%	1 444 759
Dividends	–	–	3 807	–	3 807	100.0%	3 807
Rental from Fixed Assets	494 307	495 960	542 334	495 960	46 373	9.4%	542 028
Licence and permits	205	205	999	205	794	386.9%	997
Special rating levies	494 107	486 882	497 812	486 882	10 930	2.2%	494 972
Operational Revenue	423 376	391 276	500 111	391 276	108 835	27.8%	500 480
Non-Exchange Revenue							
Property rates	13 768 100	13 918 100	13 795 292	13 918 100	(122 808)	-0.9%	13 795 292
Surcharges and Taxes	–	–	–	–	–	-	–
Fines, penalties and forfeits	1 878 556	1 905 299	2 425 444	1 905 299	520 145	27.3%	2 384 712
Licence and permits	50 301	47 909	45 813	47 909	(2 096)	-4.4%	46 874
Transfers and subsidies - Operational	7 329 561	7 337 594	6 841 365	7 337 594	(496 229)	-6.8%	7 266 677
Interest	98 675	98 675	129 211	98 675	30 536	30.9%	128 949
Fuel Levy	2 851 776	2 851 776	2 851 776	2 851 776	–	-	2 851 776
Operational Revenue	906 078	769 510	766 107	769 510	(3 403)	-0.4%	765 773
Gains on disposal of Assets	70 772	84 226	121 515	84 226	37 290	44.3%	124 841
Other Gains	6 084 343	6 226 308	5 932 251	6 226 308	(294 057)	-4.7%	6 231 462
Total Revenue (excluding capital transfers and contributions)	**70 732 307**	**71 393 374**	**72 172 158**	**71 393 374**	**778 784**	**1.1%**	**72 660 952**

Note: NT, in terms of mSCOA and the MBRR reporting, requires municipalities to report on water inventory as gains. This table discloses the financial performance inclusive of all water inventory accounts.

Reasons for major over-/under-recovery per revenue source

- **Service charges - Electricity (R554,6 million over)**
  The variance is due to no load-shedding being implemented during the financial year.

- **Service charges - Water (R39,2 million over)**
  The variance is mainly as a result of service charges for water sales in the domestic full and cluster as well as industrial/commercial categories being higher than anticipated.

- **Service charges - Waste Water Management (R103,8 million over)**
  The variance is mainly due to higher than anticipated usage during the summer period.

- **Sale of Goods and Rendering of Services (R49,98 million over)**
  The variance reflects mainly on:
  - Admission/Entrance Fees, due to an increase in visitors at nature reserves.
  - Building Levies/Scrutiny Fees, which is dependent on the construction industry where constant fluctuations are evident, making revenue difficult to predict.
  - Parking Fees, due to the implementation of the new parking tender covering additional areas.

    - Bus fares - Transit Products, due to a higher than anticipated demand for the services.

- **Interest from Current and Non Current Assets (R202,97 million over)**
  The variance is mainly on Interest Received: Short Term and Call fixed deposits, due to higher cash and investment balances, and more favourable interest rates offered in the market than anticipated.

- **Rental from Fixed Assets (R46,4 million over)**
  The variance is mainly on:
    - Rental Fixed Assets: Non-market Related, due to less than planned saleable units being transferred resulting in an over-recovery in rentals year-to-date.
    - Rental Fixed Assets: Market related other, due to unanticipated revenue realised from new leases.

- **Operational Revenue (R108,8 million over)**
  The variance reflects mainly on:
    - Development Contribution/Levy & BICL, due to higher than planned revenue on property development, which is difficult to accurately predict for cash flow purposes.
    - Skills Development Fund Levy, due to the skills levy being higher than anticipated.
    - Collection Charges Recovered, due to an increase in the number of customers being handed over to the attorneys for collection of outstanding debt resulting in more revenue recovered than anticipated.

- **Property Rates (R122,8 million under)**
  The variance is mainly due to property valuation adjustments (i.e. supplementary valuations, reviews, objections and appeals) implemented during the reporting period.

- **Fines, penalties and forfeits (R520,1 million over)**
  The variance is mainly on:
    - Fines - Traffic Fine Accruals and Traffic Fines, due to:
        - More fines issued than planned for the year-to-date; and
        - Increased fine collections supported by intensified enforcement operations and sustained collection trends.
    - Building Fines, mainly due to:
        - Property owners building or making improvements to their property without City approval. The Municipal Planning Tribunal decides on the outcome of each individual case and therefore, it is very difficult to predict revenue.
        - The establishment of the Mayor's Problem Building Task team resulted in stricter by-law enforcement and additional buildings being added to the problem building tariff listing.

- **Transfers and subsidies – Operational (R496,2 million under)**
  The variance reflects mainly on:
  - Grants and Subsidies: National (Conditional), within the following directorates:
    - Urban Mobility, due to outstanding invoices to be processed before year-end closure.
    - Economic Growth, due to the underspending on the EPWP Installation, Repair & Maintenance project as a result of fewer EPWP positions being filled. In addition, employee absenteeism and resignations during the course of the project further contributed to the under expenditure.
    - Future Planning & Resilience as a result of operating projects funded from the Urban Development Finance Grant (UDFG) and the Urban Settlements Development Grant (USDG), where revenue recognised has been delayed and is not aligned to the year-to-date expenditure incurred.
    - Spatial Planning & Environment, due to a placeholder project, Edith Stephens Nature Reserve Upgrade, which was created to balance the Neighbourhood Development Partnership grant allocation for the City. On several occasions the City requested National Treasury (NT) to reduce the grant allocation, as no other approved projects met the grant funding criteria. However, no amended Government Gazette was issued to reduce the grant allocation.
  - Grants and Subsidies: Provincial (Conditional), within the following directorates:
    - Community Services & Health, due to outstanding June 2026 claims to be submitted to the Provincial Health Department.
    - Human Settlements, due to the following:
      - NHBRC Enrolment Fees, due to savings realised.
      - Imizamo Yethu IDA projects due to initial delays with the appointment of a contractor.
    - Safety & Security, where staff salary recoveries for LEAP were processed after month-end closure, following the finalisation of the staff reconciliation process. The reconciliation process is taking slightly longer to conclude and results in a misalignment between the period budget and actual revenue recognised.
  - Grants and Subsidies: Provincial (Unconditional), due to an outstanding journal.
  - Grants and Subsidies: PCDR (Conditional), mainly within the following directorates:
    - Water & Sanitation, due to:
      - Outstanding invoices on the KfW projects and outstanding training confirmations; as well as
      - The community facilitation project funded by the Bill & Melinda Gates Foundation which has experienced delays. The full grant allocation will not be spent in the 2025/26 financial year.
    - Urban Mobility, due to June 2026 invoices that still need to be processed. Additionally, R10 million of the budget was for bridging finance and will not be spent.

  In addition to the above the revenue recognition for grant expenditure incurred during June 2026 have not been processed.

- **Interest (R30,5 million over)**
  The variance is due to interest on arrear Property Rates being higher than estimated to date.

- **Gains on disposal of Assets (R37,3 million over)**
  The variance is due to more than anticipated registration of properties sold in the current year.

- **Other Gains (R294,1 million under)**
  The variance reflects mainly on:
  - Inventory consumed: Price Adjustment B/Water and R/Water, as the entries for period 12 still need to be processed as part of the year-end processes.
  - Fair Value Adjustments - Non-Exchange transactions, due to the concessionary adjustment recognised for the off-market portion of the loan received in May 2026. The adjustment can only be calculated once a concessionary loan is received. This resulted in the final calculation being lower than anticipated.

Reasons for variances on revenue by source can be found in *Material variance explanations for revenue by source and by vote* on page 50.

EXPENDITURE

Main expenditure types for 2025/26

Description R thousands	Budget Year 2025/26						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure By Type							
Employee related costs	20 889 090	20 792 370	19 580 379	20 792 370	(1 211 990)	-5.8%	20 077 468
Remuneration of councillors	197 729	198 376	194 133	198 376	(4 243)	-2.1%	194 156
Bulk purchases - electricity	17 755 086	17 755 086	17 800 561	17 755 086	45 475	0.3%	17 757 170
Inventory consumed	7 899 755	7 766 498	7 366 338	7 766 498	(400 161)	-5.2%	7 605 944
Debt impairment	3 217 478	3 178 514	2 738 321	3 178 514	(440 193)	-13.8%	3 043 435
Depreciation and amortisation	3 974 164	3 996 121	3 933 356	3 996 121	(62 765)	-1.6%	3 881 055
Interest	1 428 206	1 062 528	974 092	1 062 528	(88 436)	-8.3%	992 188
Contracted services	11 100 541	11 289 065	10 994 770	11 289 065	(294 296)	-2.6%	11 146 068
Transfers and subsidies	388 523	378 939	331 478	378 939	(47 461)	-12.5%	356 815
Irrecoverable debts written off	123 202	198 594	648 783	198 594	450 189	226.7%	331 185
Operational costs	3 768 638	3 869 855	3 539 992	3 869 855	(329 864)	-8.5%	3 633 961
Losses on Disposal of Assets	2 500	3 577	18 596	3 577	15 019	419.8%	17 870
Other Losses	532 092	481 931	429 022	481 931	(52 909)	-11.0%	517 860
Total Expenditure	**71 277 006**	**70 971 456**	**68 549 820**	**70 971 456**	**(2 421 636)**	**-3.4%**	**69 555 173**

Note: NT, in terms of mSCOA and the MBRR reporting, requires municipalities to report on water inventory as inventory consumed, and losses. This table discloses the financial performance inclusive of all water inventory accounts.

Reasons for major over-/under expenditure by type

- **Employee related costs (R1 212 million under)**
  The variance is mainly due to:
  - The turnaround time in filling vacancies.
  - The internal filling of vacancies.
  - Delays, employee absenteeism and resignations within the EPWP projects. In addition, the final EPWP payroll processing will be done in July 2026.

- **Bulk purchases - electricity (R45,5 million over)**
  The variance is mainly on Bulk Purchases - Electricity, due to Eskom structural changes made to bulk purchases.

- **Inventory consumed (R400,2 million under)**
  The variance reflects mainly on:
  - Fuel Oil, Gas & Coal, due to a strategic requirement in anticipation of load-shedding, which did not occur during the financial year.
  - Materials Consumables Tools & Equipment, the number of refuse bags required for the Sandy Area tender was lower than anticipated.
  - G&D Pharmaceutical Supplies and G&D Vaccines, due to final accounts still in the process of being finalised.

  - Inventory consumed: Reticulation Water, as a result of the water consumption by reticulation customers being lower than the budgeted volumes in the inventory system. In addition, period 12 inventory items still need to be processed as part of year-end processes.
  - R&M Mat General & Consumables, mainly due to no load-shedding experienced which has in turn led to a reduction in theft and vandalism of electrical infrastructure and consequently a reduction in faults.
  - Printing, Stationery & Photographic, due to less stationery used and lower external cost of reproduction/printing than anticipated.

- **Debt impairment (R440,2 million under)**
  The National Treasury's reporting requirements as part of the Municipal Regulations on a Standard Chart of Accounts requires that municipalities disclose debt impairment as well as irrecoverable debt written off in the statement of financial performance.
  While budgeted debt impairment represents a contribution to the provision for debt impairment, the budgeted appropriation is calculated by taking the difference of budgeted actual collections against budgeted accrued revenue. As per the accounting policy of the City, in most instances bad debt is only written off post the financial year in which the contribution to the provision is made against the balance sheet and not the operating statement of financial performance. The two items namely, debt impairment and irrecoverable debt written off must not be seen in isolation. When combined the variance equates to 0.30% (R10 million over expenditure).

- **Depreciation and amortisation (R62,8 million under)**
  The variance is mainly due to:
  - Slower than planned capitalisation rate of various projects.
  - Misalignment between actuals and period budget projections on the impairment of assets.
  - Assets being written off during the course of the financial year.

- **Interest (R88,4 million under)**
  The variance is mainly attributable to the delayed drawdown of loans as informed by the City's financing strategy, which resulted in savings on external interest payable.

- **Contracted Services (R294,3 million under)**
  The variance reflects mainly on:
  - Advisory Services - Project Management, due to queries raised on Professional Service Providers (PSP) invoices for several facilities projects, which must be resolved before payments can be finalised. In addition, a number of invoices are outstanding.
  - Advisory Services - Research & Advisory and Sludge Removal, due to delays in the Milnerton Lagoon tender. Approval to use the available funding for alternative projects was only obtained in March 2026, resulting in delayed project implementation. In addition, invoices are pending and expected to be processed as part of year-end processes.

  - Professional Services - Engineering: Civil, Building Contractors, R&M Contracted Services: Building and Sewerage Services, due to invoices that are pending and expected to be processed as part of year-end processes.
  - R&M Electrical, due to no load-shedding which has in turn led to a reduction in theft and vandalism of electrical infrastructure and consequently a reduction in faults and security requirements.
  - R&M Gardening Service & R&M Maintenance of Equipment, due to outstanding settlement of Plant Maintenance (PM) orders, as well as lower than expected demand for services.
  - Transportation Services: People, due to the reallocation of expenditure for the Public Transport interchanges in line with the directive to prioritise Grant Funding.
  - G&D Lab Services – Medical and Security Services: Municipal Facilities, due to final accounts still in the process of being finalised.
  - G&D Transportation Services: People, due to invoice discrepancies identified and incorrect period split of additional funding received.
  - Professional Services - Engineering: Electrical, due to less than anticipated electrical engineering services incurred year-to-date.
  - G&D Advisory Services – Research & Advisory, due to delays in the implementation of the following projects:
    - Outstanding invoices on the KfW projects and outstanding training confirmations.
    - The community facilitation project funded by the Bill & Melinda Gates Foundation which has experienced delays. The full grant allocation will not be spent in the 2025/26 financial year.
  - G&D Contractors Service Building, due to delays with the appointment of contractors for the Imizamo Yethu Project.

- **Transfers and subsidies (R47,5 million under)**

  The variance is mainly on:
  - Grants/Sponsorships (Sec 67), due to delays experienced as a result of wildfires in operational areas.
  - Sponsorships - Events (Sec 67), due to outstanding payments that are still to be processed, as well as service providers invoicing amounts lower than originally quoted. A potential underspending of approximately R5 million is anticipated, partly attributed to the following:
    - The Stormers rugby team not securing a home final.
    - The cancellation of planned events due to inclement weather, including the ABSA Run Your City event and a scheduled soccer tournament.
  - Grants - Cape Town Stadium, due to transfers being lower than initially planned, as the Entity generated sufficient revenue to fund its operational expenditure.

- **Irrecoverable debts written off (R450,2 million over)**
  The National Treasury's reporting requirements as part of the Municipal Regulations on a Standard Chart of Accounts requires that municipalities disclose debt impairment as well as irrecoverable debt written off in the statement of financial performance.
  While budgeted debt impairment represents a contribution to the provision for debt impairment, the budgeted appropriation is calculated by taking the difference of budgeted actual collections against budgeted accrued revenue. As per the accounting policy of the City, in most instances bad debt is only written off post the financial year in which the contribution to the provision is made against the balance sheet and not the operating statement of financial performance. The two items namely, debt impairment and irrecoverable debt written off must not be seen in isolation. When combined the variance equates to 0.30% (R10 million over expenditure).

- **Operational costs (R329,9 million under)**
  The variance reflects mainly on:
  - R&M Hire of LDV, Panel Van, Bus, Specialised Vehicles, due to lower than anticipated hiring of fleet for pond cleaning.
  - Uniforms and Protective Clothing, due to the unavailability of the uniform tender. Uniforms could not be ordered as per requirements and issuing of uniforms were limited to essential items.
  - Software Licenses - Upgrade/Protection, due to:
    - The lower than anticipated utilisation of specialised IT services as a result of ongoing construction at various locations.
    - The favourable dollar/rand rate of exchange resulting in the cost of certain software being lower than anticipated.
  - Specialised Information Technology services, due to outstanding invoices for various IT projects. Expenditure to increase once invoices are received, vetted and processed for payment.
  - Electricity, as a result of fluctuation of electricity usage at some of the Bulk Water plants.
  - Water Resource Management Charge DWS, due to outstanding invoices from the National department of Water and Sanitation.

- **Other Losses (R52,9 million under)**
  The variance reflects mainly on:
  - Inventory consumed: Real: Leakage R/Water and B/Water, due to period 12 inventory items that will be processed as part of the year-end processes.
  - Fair Value Adjustments, due to fair value adjustment arising from weak yields offered by government bonds as a result of the bond market reaction to geopolitical volatility.

Expenditure per vote (directorate)

Vote Description R thousands	Budget Year 2025/26						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Expenditure by Vote</u>							
Vote 1 - Community Services & Health	4 917 247	4 885 956	4 625 079	4 885 939	(260 859)	-5.3%	4 742 269
Vote 2 - Corporate Services	4 123 703	4 139 794	4 136 993	4 139 794	(2 801)	-0.1%	3 921 995
Vote 3 - Economic Growth	760 365	791 514	754 487	791 514	(37 027)	-4.7%	737 696
Vote 4 - Energy	21 757 162	21 498 611	21 207 525	21 498 611	(291 086)	-1.4%	21 168 382
Vote 5 - Finance	4 496 215	4 341 917	4 014 885	4 341 917	(327 033)	-7.5%	4 237 922
Vote 6 - Future Planning & Resilience	595 825	624 870	603 273	624 870	(21 597)	-3.5%	624 870
Vote 7 - Human Settlements	1 705 085	1 749 764	1 739 730	1 749 764	(10 034)	-0.6%	1 749 764
Vote 8 - Office of the City Manager	524 560	552 288	535 617	552 288	(16 671)	-3.0%	552 329
Vote 9 - Safety & Security	6 692 842	6 729 908	6 234 679	6 729 908	(495 229)	-7.4%	6 163 173
Vote 10 - Spatial Planning & Environment	1 953 826	1 995 205	1 872 930	1 995 222	(122 292)	-6.1%	1 995 205
Vote 11 - Urban Mobility	4 706 689	4 865 846	4 737 900	4 865 846	(127 946)	-2.6%	4 865 784
Vote 12 - Urban Waste Management	4 100 966	3 981 597	3 906 872	3 981 597	(74 725)	-1.9%	3 981 597
Vote 13 - Water & Sanitation	14 942 522	14 814 186	14 179 850	14 814 186	(634 336)	-4.3%	14 814 186
Total Expenditure by Vote	**71 277 006**	**70 971 456**	**68 549 820**	**70 971 456**	**(2 421 636)**	**-3.4%**	**69 555 173**

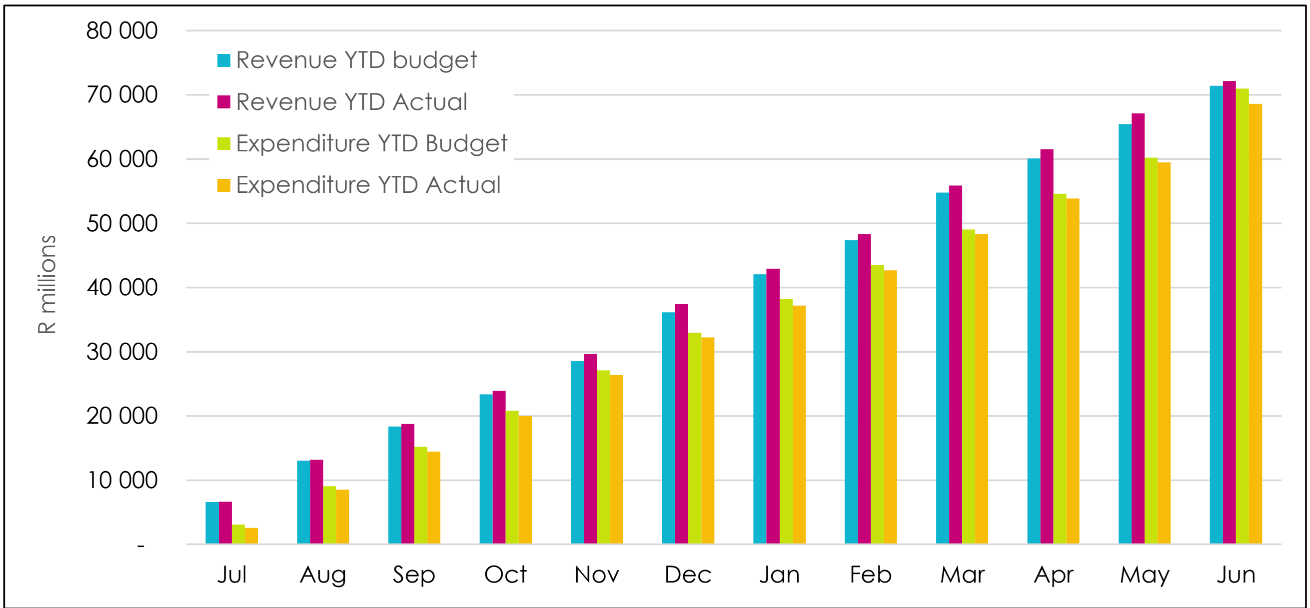
Reasons for under expenditure per vote (directorate)

Details on under expenditure by vote can be found in *Material variance explanations for operating expenditure by vote and by type* on page 63.

Details on variances for expenditure by vote and type can be found in *Material variance explanations for operating expenditure by vote and by type* on page 63.

Monthly Operating Revenue and Expenditure Performance

The graph below shows the monthly actual operating revenue and expenditure against budget.



CAPITAL EXPENDITURE AND FUNDING

Summary Statement of Capital Budget Performance

Vote Description R thousands	Budget Year 2025/26						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Total Capital Expenditure	**12 862 639**	**13 475 562**	**11 512 778**	**13 475 562**	**(1 962 784)**	**-14.6%**	**12 326 500**
Funded by:							
National Government	3 735 882	4 226 332	3 489 220	4 226 332	(737 112)	-17.4%	3 833 014
Provincial Government	6 657	10 690	10 690	10 690	(0)	0.0%	10 690
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	112 651	107 707	57 436	107 707	(50 271)	-46.7%	60 696
Transfers recognised - capital	**3 855 190**	**4 344 729**	**3 557 346**	**4 344 729**	**(787 383)**	**-18.1%**	**3 904 400**
Borrowing	**5 000 000**	**5 000 000**	**4 208 250**	**5 000 000**	**(791 750)**	**-15.8%**	**4 564 727**
Internally generated funds	**4 007 449**	**4 130 833**	**3 747 182**	**4 130 833**	**(383 651)**	**-9.3%**	**3 857 373**
Total Capital Funding	**12 862 639**	**13 475 562**	**11 512 778**	**13 475 562**	**(1 962 784)**	**-14.6%**	**12 326 500**

The summary statement of capital budget performance indicates actual capital expenditure of R11 513 million or 85.43% of the current budget.

The year-to-date spend represents 86.76% (R7 922 million) on internally-funded projects and 82.65% (R3 591 million) on externally grant-funded projects.

Capital budget by municipal vote for 2025/26

Vote Description R thousands	2024/25	Budget Year 2025/26						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Vote 1 - Community Services & Health	310 514	317 218	336 481	300 502	336 481	(35 979)	-10.7%	325 956
Vote 2 - Corporate Services	420 495	498 476	741 143	696 635	741 143	(44 508)	-6.0%	716 921
Vote 3 - Economic Growth	94 372	111 099	138 195	92 332	138 195	(45 863)	-33.2%	125 459
Vote 4 - Energy	1 063 370	1 249 640	1 360 754	1 278 350	1 360 754	(82 404)	-6.1%	1 299 559
Vote 5 - Finance	75 738	123 163	125 343	120 534	125 343	(4 810)	-3.8%	119 992
Vote 6 - Future Planning & Resilience	25 034	5 414	21 816	20 833	21 816	(983)	-4.5%	20 835
Vote 7 - Human Settlements	939 469	1 228 699	1 440 465	1 362 756	1 440 465	(77 709)	-5.4%	1 419 961
Vote 8 - Office of the City Manager	6 015	8 675	18 484	18 182	18 484	(302)	-1.6%	18 203
Vote 9 - Safety & Security	466 205	344 830	426 282	422 159	426 282	(4 123)	-1.0%	425 927
Vote 10 - Spatial Planning & Environment	268 940	519 567	459 112	407 973	459 112	(51 139)	-11.1%	421 072
Vote 11 - Urban Mobility	1 583 173	3 090 530	3 021 950	2 347 541	3 021 950	(674 409)	-22.3%	2 490 950
Vote 12 - Urban Waste Management	384 643	438 953	450 047	425 523	450 047	(24 524)	-5.4%	429 720
Vote 13 - Water & Sanitation	3 713 424	4 926 374	4 935 490	4 019 459	4 935 490	(916 030)	-18.6%	4 511 945
Total Capital Expenditure	**9 351 390**	**12 862 639**	**13 475 562**	**11 512 778**	**13 475 562**	**(1 962 784)**	**-14.6%**	**12 326 500**

Reasons for major YTD over/under expenditure on the capital budget

- **Urban Mobility Directorate (R674,4 million under)**
  The negative variance reflects mainly on the following projects within the IRT Phase 2A programme:
  - Trunk E1 M9 Heinz – Duinefontein Railway, which is behind schedule due to bulk watermain stoppages, community unrest, and safety concerns. Construction sequencing was revised, bridge piles completed, and east abutment works are ongoing. While phased traffic management measures implementation is expected to support recovery, productivity continues to be impacted.
  - Trunk E2 M9 Duinefontein Railway – Intsikizi, where the project is behind schedule due to the relocation requirements of Eskom and bulk water services, which must be completed before work can continue. An Extension of Time was awarded through adjudication, and an optimised programme has been submitted to recover lost time; however, ongoing work stoppages continue to impact project timelines.
  - W2 Roadway – Turfhall Road, where the project progress was constrained by the relocation of overhead and underground cables, as well as energy cable diversions, resulting in certain works not being completed by 30 June 2026.
  - W4 Roadway – Govan Mbeki, where invoices for the period under review were received after month-end, as well as contractor claims being lower than originally anticipated.
  - Trunk E4 – Morning Star to Mew Way, where the project was disrupted by safety incidents and threats to contractor staff, resulting in the suspension of works and reduced expenditure.

  82.4% spend is forecasted for the projects currently on the budget.

- **Water & Sanitation Directorate (R916 million under)**
  The variance reflects mainly on the following projects:
  - AMI Project, where the project has been delayed due to appeals received during the tender process.
  - Potsdam WWTW Extension, where the project is behind schedule due to slower than projected progress on electrical works and delayed invoices that still need to be processed.
  - Philippi Collector Sewer Project, where invoices from the professional service provider were lower than anticipated.
  - Cape Flats Aquifer Recharge Project, which has been delayed due to longer lead times for procuring equipment from overseas.
  - Water Network Replacement Project, where less work is being required than initially anticipated across various works.
  - Replace Sewer Network FY26 Project, where delays were experienced in awarding tender 44Q/2024/25 due to one of the bidders changing their registration details during the procurement process.

  - Bulk Sewers in Milnerton Rehabilitation, Wesfleur WWTW and Wildevoëlvlei WWTW Projects, where invoices for the period under review were received after month-end.Finally, the late receipt of invoices on Wildevoëlvlei WWTW, as well as Bulk Sewers in Milnerton Rehabilitation contributed to the current slippages.

Detailed explanations and remedial action on variances on the capital budget (Adjusted Budget vs YearTD actual) can be found in *Material variance explanations for capital expenditure by vote* on page 79.

Reasons for major variances between the Adjusted Budget and Full Year Forecast on the capital budget

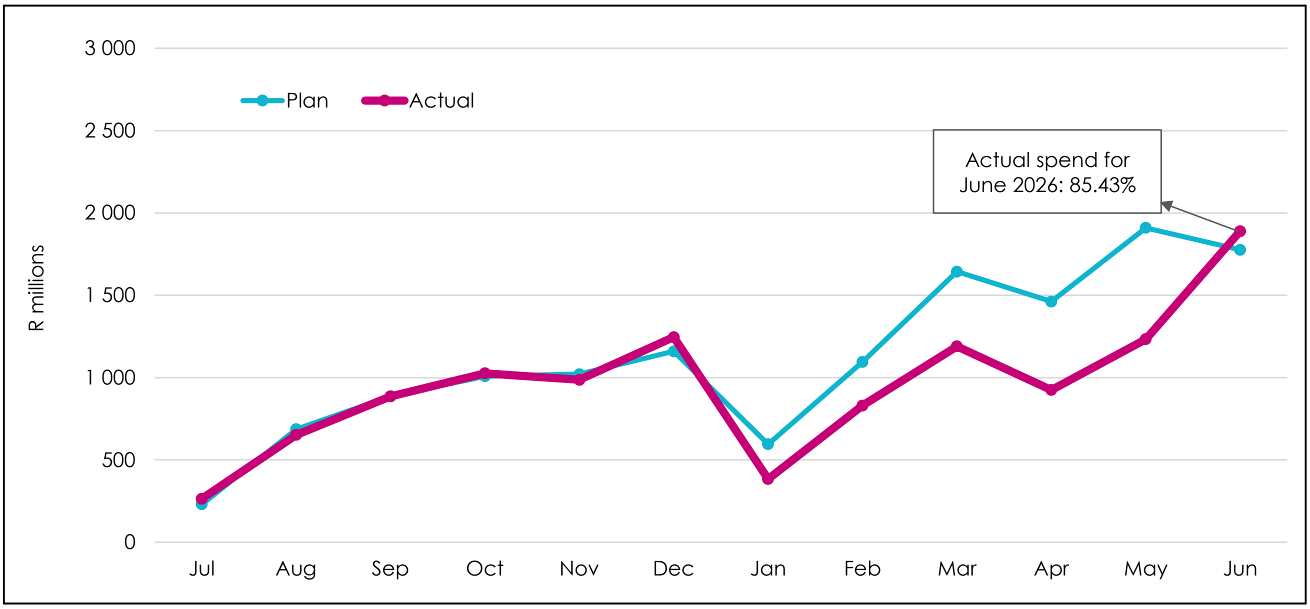
- **Urban Mobility (R531 million)**
  The variance is mainly attributable to construction and insurance contingencies, together with delays across the IRT Phase 2A programme:
  - The Trunk E2 M9 Duinefontein Railway – Intsikzi Project has been impacted by Eskom and bulk water service relocations, necessitating programme adjustments and the granting of an Extension of Time. However, ongoing work stoppages continue to impact project timelines.
  - W2 Roadway – Turfhall Road Project, where the relocation of overhead electrical cables was scheduled later than anticipated, due to the extended lead times. Not all planned work could be completed by 30 June 2026, resulting in underspend.
  - The Trunk E4 M9 Morning Star – Mew Way Project was disrupted by serious safety incidents, resulting in the suspension of works and reduced expenditure. While the project scope has since been reinstated, a portion of the allocated budget is not expected to be spent within the 2025/26 financial year.
  - The Trunk E1 M9 Heinz – Duinefontein Railway Project experienced slower-than-anticipated expenditure due to bulk watermain stoppages, unrest, and safety concerns. However, revised sequencing and phased traffic management measures are expected to support recovery.
  - W4 Roadway Govan Mbeki experienced consequential delays from inclement weather. Invoicing delays and lower-than-anticipated claims further contributed to the variance, with payments under review.

- **Water & Sanitation (R423,5 million)**
  The variance is predominantly due to the following:
  - AMI Project, where the project has been delayed due to appeals received during the tender process.
  - Potsdam WWTW (Waste Water Treatment Works) Extension, where the project is behind schedule due to slower than projected progress on electrical works and delayed invoices that still need to be processed.
  - Philippi Collector Sewer Project, where invoices from the professional service provider were lower than anticipated.
  - Cape Flats Aquifer Recharge Project, which has been delayed due to longer lead times for procuring equipment from overseas.

- Water Network Replacement Project, where less work is being required than initially anticipated across various works.

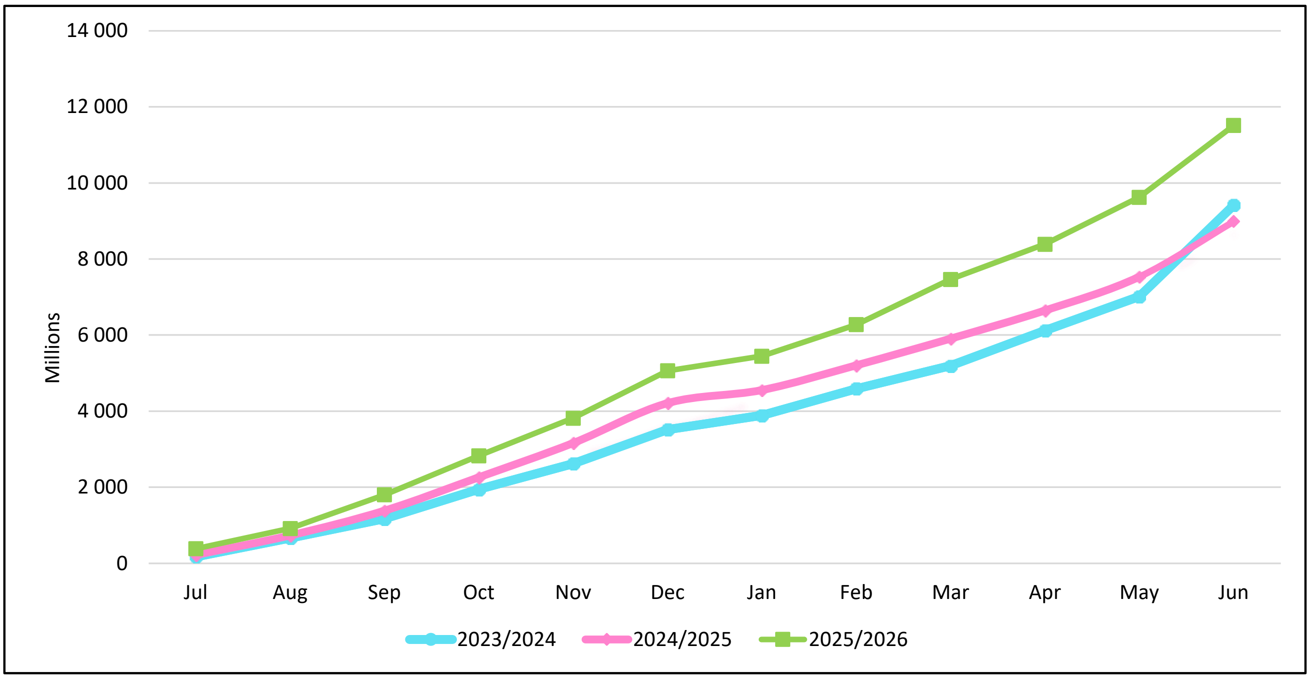
Monthly capital expenditure

The graph below reflects the City's monthly capital expenditure to date measured against the 2025/26 current budget.

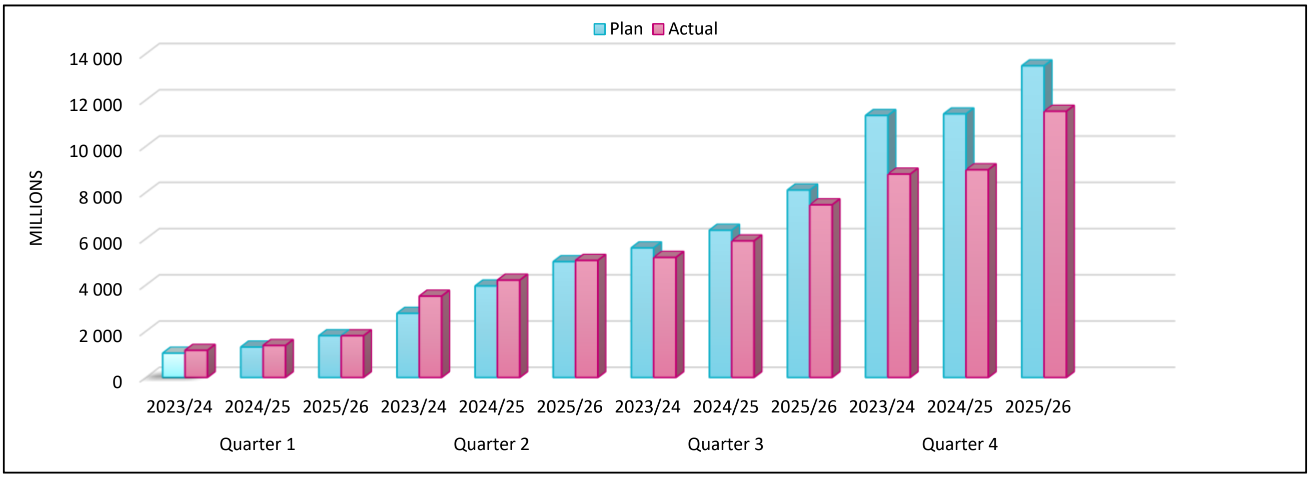


Capital expenditure trend over the current- and past two years

The graph below shows the City's capital expenditure trend for 2023/24, 2024/25 and 2025/26.



The capital expenditure quarterly trend for the 2023/24, 2024/25 and 2025/26 financial years is graphically illustrated below.



Status of major capital programmes/projects

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
IRT Phase 2 A	1 727 215 616	1 727 215 616	1 272 574 593	-454 641 023	1 363 856 461	The project experienced initial delays due to inclement weather, extortion, and the relocation of services. The resulting impacts are currently being actively managed. An application will be made to National Treasury to apply for a roll-over of the balance funds.
Potsdam WWTW - Extension	924 554 161	924 554 161	764 634 652	-159 919 509	830 554 161	The project is behind schedule due to slower-than-projected progress on electrical works. This has resulted in a projected under-expenditure. The balance of funds will be rolled over to the 2026/27 financial year.
Macassar WWTW Extension	409 458 189	409 458 189	400 180 745	-9 277 444	409 458 189	All planned work for the 2025/26 financial year has been completed. Invoices were received after month-end and are being vetted for payment by 10 July 2026.
Sewer Network Renewal	339 000 000	339 000 000	250 655 931	-88 344 069	337 000 000	All planned work for the 2025/26 financial year has been completed. Invoices were received after month-end and are being vetted for payment by 10 July 2026. The balance of funds will be rolled over to the 2026/27 financial year.
Plant & Vehicles: Replacement	337 456 865	337 456 865	336 708 959	-747 906	336 708 961	The project has been completed, with savings.
AMI rollout programme	288 784 877	288 784 877	71 632 458	-217 152 419	131 765 008	The project is behind schedule due to delays experienced as a result of appeals against the award of Tender 205G/24/25. Therefore, the funding will be rolled over in the August 2026 adjustments budget.
Cape Flats Aquifer Recharge	286 489 370	286 489 370	276 401 341	-10 088 029	277 000 000	Construction is underway. Contractor and Professional Service Provider (PSP) invoices for June 2026 were received after month-end and are being vetted for payment by 10 July 2026. The project manager (PM) is following up. Procurement of equipment from international markets resulted in delays, which consequently postponed the installation to the new financial year. The balance of funds will be rolled over to the 2026/27 financial year.
Water Network Renewal	259 310 180	259 310 180	199 386 016	-59 924 164	231 310 180	Various Work Packages (WPs) are being implemented. Invoices were received after month-end and are being vetted for payment by 10 July 2026. A saving has been identified as a result of less work being required than initially anticipated. The saving will be reprioritised to other projects within the directorate, if required.

Table continues on next page.

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
System Equipment: Replacement	248 144 704	248 144 704	244 931 754	-3 212 950	245 611 474	All planned work for the 2025/26 financial year has been completed. Invoices were received after month-end and are being vetted for payment by 10 July 2026.
Fleet & Plant: Replacement	248 140 632	248 140 632	247 061 621	-1 079 011	248 067 729	The project is currently behind planned expenditure due to a combination of contractual processing and logistical delays. The balance of funds will be rolled over to the 2026/27 financial year.
Cape Flats Rehabilitation	214 374 392	214 374 392	213 848 492	-525 900	214 754 392	All planned work for the 2025/26 financial year has been completed. Invoices were received after month-end and are being vetted for payment by 10 July 2026. The PSP invoice received exceeded the amount initially anticipated. Therefore, additional funding is required and a virement of funds application will be processed.
Land Acquisition (Housing)	177 865 791	177 865 791	177 216 966	-648 825	177 216 967	The project has been completed, with savings.
IT: CAR Infrastructure	134 444 359	134 444 359	134 206 756	-237 603	134 414 925	All planned work for the 2025/26 financial year has been completed. Invoices for work completed for the period are outstanding. The PM is liaising with the service provider to obtain the outstanding invoices. The balance of funds will be rolled over to the 2026/27 financial year.
Telecoms Infrastructure: Replacements	132 758 211	132 758 211	124 454 505	-8 303 706	124 454 506	The project is behind schedule due to the vendor's inability to deliver equipment procured through the Information and Technology Stores via a works order by 30 June 2026. As a result, the planned expenditure could not be incurred within the current financial year. The balance of funds will be rolled over to the 2026/27 financial year.
Cape Flats Aquifer:Hanover Park & Philip	132 200 000	132 200 000	121 101 369	-11 098 631	126 101 310	The project experienced initial delays due to inclement weather resulting in lower production and less expenditure. Contractor invoices were received after month-end and are being vetted for payment by 10 July 2026. The balance of funds will be rolled over to the 2026/27 financial year.
Sir Lowry's Pass River Upgrade	131 741 832	131 741 832	129 762 816	-1 979 016	132 941 361	Invoices were received after month-end and are being vetted for payment by 10 July 2026.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2026 Q4 (June 2026 – Provisional Results)

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
Sewer Pump Stations Minor Upgrades	128 281 909	128 281 909	124 095 554	-4 186 355	116 110 006	All planned work for the 2025/26 financial year has been completed. Invoices were received after month-end and are being vetted for payment by 10 July 2026.
Paardevlei 132/66 kV stepdown	127 517 216	127 517 216	126 798 051	-719 165	127 448 577	All planned work for the 2025/26 financial year has been completed. Invoices were received after month-end and are being vetted for payment by 10 July 2026. Minor savings will be realised.
Asset Upgrade - Routine Prog - East	127 189 284	127 189 284	124 501 133	-2 688 151	124 888 394	All planned work for the 2025/26 financial year has been completed. Invoices for work completed for the period are outstanding. The PM is liaising with the service provider to obtain the outstanding invoices. The balance of funds will be rolled over to the 2026/27 financial year.
Asset Upgrade - Routine Prog - North	116 387 261	116 387 261	116 342 609	-44 652	116 342 611	The project has been completed, with savings.
Philippi Collector Sewer	114 195 410	114 195 410	79 232 992	-34 962 418	99 195 410	The detailed design has been completed and the PSP is currently in the process of compiling tender documentation. PSP invoices were received after month-end and are being vetted for payment by 10 July 2026. The balance of the funds will be reprioritised to other projects within the directorate.
Wesfleur Aeration & Blower Replacement	113 765 000	113 765 000	98 149 043	-15 615 957	113 765 000	All planned work for the 2025/26 financial year has been completed. Invoices were received after month-end and are being vetted for payment by 10 July 2026.
Bulk Retic Sewers in Milnerton Rehab	113 748 731	113 748 731	78 063 384	-35 685 347	122 573 226	The programme is behind schedule, as the payment certificate and contractual claims are currently under review by the PSP, which is liaising with the contractor. Once the reviews are completed, the payment certificates will be processed. Additional funding is required to cover contractual obligations on Contract 106Q/2022/23 - Montague Drive Bulk Sewer.
Informal Settlements Routine Upgrades	112 340 783	112 340 783	106 654 512	-5 686 271	111 099 529	Invoices were received after month-end and are being vetted for payment by 10 July 2026. Minor savings will be realised.
Vehicles: Additional	111 108 745	111 108 745	111 106 964	-1 781	111 106 965	All planned work for the 2025/26 financial year has been completed. Invoices were received after month-end and are being vetted for payment by 10 July 2026.
	7 056 473 518	**7 056 473 518**	**5 929 703 216**	**-1 126 770 303**	**6 363 745 342**	

COMMITMENTS AGAINST CASH AND INVESTMENTS

Cash and Investments

The cash and cash equivalents amount to R13 350 million for the month under review. This position is mainly due to the levels of cash realised in the 2024/25 financial year.

Commitments against cash and investments on hand (current and non-current investments)

The table below shows that the City's cash and investments on hand is capable of funding the City's reserves with the residual balance used for working capital.

Item	Previous Month R Thousand	Current Month R Thousand
Closing Cash and Investment Balance	**22 692 192**	**21 268 492**
Total Commitments	**8 203 692**	**7 424 789**
Unspent Conditional Grants	2 405 239	1 638 160
Housing Development	329 899	329 355
MTAB	26 572	26 572
Trust Funds	1 295	1 295
Insurance reserves	423 517	423 517
CRR / Revenue	5 017 170	5 005 890
Uncommitted Funds	**14 488 500**	**13 843 703**
Closing Cash and Investment Balance	**22 692 192**	**21 268 492**
Non Current Investments	364 571	313 519
Current Investments	7 554 107	7 605 159
Cash and Cash Equivalents as per Cash flow statement (Table C7)	14 773 514	13 349 814

Details on the cash flow can be found in *Cash Flow* on page 49.

The City's investment portfolio breakdown can be found in *Investment portfolio* on page 90.

The monthly actual and targets can be found in *Actual and revised targets for cash receipts and cash flows* on page 98.

GRANT UTILISATION

Description R thousands	Budget Year 2025/26						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Total operating expenditure of Transfers and Grants	7 329 561	7 337 594	6 846 244	7 337 594	(491 350)	-6.7%	7 337 594
Total capital expenditure of Transfers and Grants	3 855 190	4 344 729	3 590 908	4 344 729	(753 821)	-17.4%	3 904 400
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	**11 184 751**	**11 682 322**	**10 437 152**	**11 682 322**	**(1 245 170)**	**-10.7%**	**11 241 994**

Detailed information on transfers and grants per funding source is reflected in *Transfers and grants expenditure* on page 93.

CREDITORS

Creditors Analysis

R thousands	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
Total Creditors	112 819	822	775	788	792	837	–	–	116 834

The City's creditors are paid within 30 days as stipulated in the MFMA. Creditors older than 31 days are due to a penalty to be deducted, debit balance, unconfirmed changes, bank rejections, foreign payment, blocked invoices, bank rejection, direct payment and debt management actions.

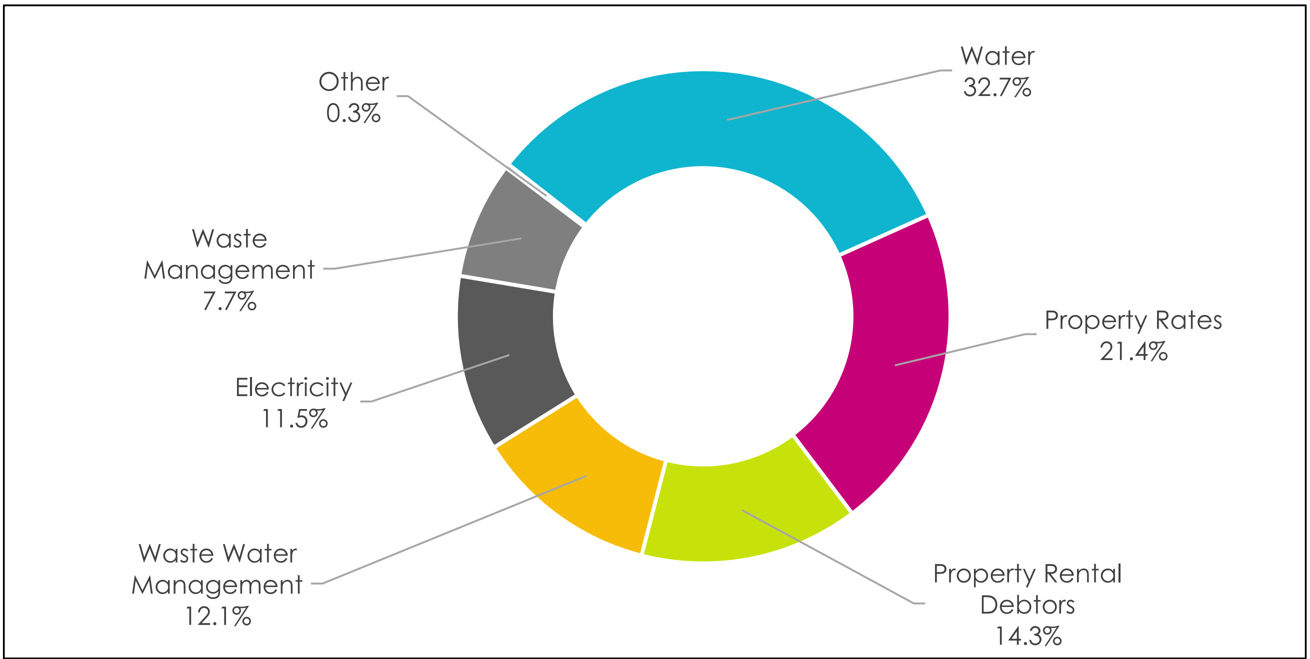
The City has a continuous management follow-up control system in place to facilitate the ultimate payment of these invoices.

DEBTORS

Debtors Age Analysis

Description	Budget Year 2025/26								
	0-30 Days		31-60 Days		61-90 Days		Total over 90 days		Total
	R Thousands	%	R Thousands	%	R Thousands	%	R Thousands	%	R Thousands
Total By Income Source	2 705 349	29.4%	322 754	3.5%	216 134	2.4%	5 945 151	64.7%	9 189 388
2024/25 - totals only	2 754 862	31.8%	208 034	2.4%	214 501	2.5%	5 483 115	63.3%	8 660 511
Movement	(49 513)		114 719		1 633		462 036		528 876
% Increase/(Decrease) year on year		**-1.8%**		**55.1%**		**0.8%**		**8.4%**	**6.11%**

Graphical Analysis of debtors older than 90 days



Top 10 Commercial debtors - Age Analysis

Customer	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
Beadica 281 CC	R43 544 582.36	R845 180.52	R398 545.16	R359 989.40	R463 955.11	R426 469.40	R361 357.56	R2 319 739.80	R38 369 345.41	The services were disconnected. The summons was served on the business premise address 10 Charles Street, Atlantis on 16 March 2026 and no notice of intention to defend has been received. The application for default judgment is to be finalised by the attorney, who responded on 5 June 2026 and provided additional supporting documentation in support of the application before the High Court in Cape Town. A follow-up email was sent to the collection attorney on 7 July 2026, requesting an update on the status of the default judgment application.
Get Metal Properties Proprietary Limited	R36 629 266.65	R106 803.36	R89 789.34	R0.00	R380 124.90	R0.00	R0.00	R18 192 726.70	R17 859 822.35	There is an active instalment plan of R300 000.00 in place, which expires in September 2026. The company reported a fire accident at the premises, which reduced operations by approximately 90% as their average consumption bill was approximately R6 million. The current account reduced drastically to around R300 000 per month. The company employs more than 250 staff in Atlantis and decided to keep their premises open to prevent retrenchments. Payments totalling R666 860.16 was received in June 2026. A payment of R407 000.00 is expected on 19 July 2026 and a physical meeting is planned with the customer in July 2026 to revisit the payment plan.
Myriad Trust	R18 744 329.39	R3 228 829.40	R0.00	R0.00	R1 733 426.48	R1 758 596.41	R198.30	R6 806 567.61	R5 216 711.19	Processing an offset of R7 000 000 from Accounts Payable. The property is set for disconnection on 10 July 2026, should the balance not be settled before then.
Parker Food Prop Proprietary Limited	R15 922 148.06	R371 700.82	R131 612.14	R122 908.10	R122 899.52	R123 602.22	R123 806.85	R492 397.69	R14 433 220.72	This is a finalised account. A tampering fee was raised on 6 June 2025, after the sale of the property, with outstanding debt of R14 679 004.00. The account was handed over to Legal department on 7 July 2025. A summons in the amount of R14 433 220.72 has been issued and was served on the debtor by the sheriff on 3 October 2025. Judgment was granted on 21 October 2025. Default judgment was granted on 12 January 2026. A warrant of execution against moveable property was issued on 2 March 2026. The City is in consultation with the attorney to seek advice on further legal proceedings. The debtor is unable to settle the outstanding claim and do not possess any attachable assets that may be realised to recover the debt; the debt can possibly be irrecoverable. A request was submitted to the collection attorney on 11 May 2026 to determine if there is any other legal recourse the City can take. The attorney was of the opinion that the debt must be written off because the debtor has no assets to attach.
Waste Tyre Transporters SA (Pty) Ltd	R11 759 907.92	R211 941.63	R507 193.87	R0.00	R198.30	R0.00	R0.00	R11 041 331.12	-R757.00	A tampering fee of R10 916 148.34 was raised on 8 December 2025. Electricity supply was disconnected and a quotation was provided to the client to replace the device that was damaged due to tampering. Debt management have engaged the client with a full and final settlement proposal and the client has not provided any commitment. A physical meeting will be scheduled during July 2026 to discuss and resolve the outstanding debt.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2026 Q4 (June 2026 – Provisional Results)

Customer	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
Bentifor (Pty) Ltd	R 10 786 485.73	R 469 400.97	R 244 321.81	R 226 630.08	R 224 016.77	R 232 568.75	R 219 018.20	R 1 268 237.91	R 7 902 291.24	The Water and Sanitation Directorate is attending to the water query on the account. A meeting was held on 20 April 2026 and the client's contractor confirmed that they identified a pipe that appears to supply either the fire line or the domestic connection for Erf 159944, which doesn't belong to the client. The client's contractor will proceed with a trial hole to confirm the domestic meter supply to Erf 159944. The wayleaves and permits must be obtained from the Water and Roads Departments before proceeding. The Reticulation branch requested updated service drawings from the client. The client is also waiting on the outcome of the wayleave application to excavate the area. The owner of Erf 159943 (Boquinar Industrial Area) must still give permission for the consultant of Erf 159944 in order to proceed and engage with the consultant to supply a joint quotation for the work to be performed simultaneously.
Vaxobuzz Proprietary Limited	R 8 040 966.09	R 376 085.75	R 456 651.37	R 57 530.20	R 56 170.58	R 211 786.72	R 440 939.26	R 918 326.01	R 5 523 476.20	The account was handed over for legal action. The application for default judgement was submitted on 10 September 2025. This is a High court matter and outcome of the application has not been received. The debtor subsequently submitted a full and final settlement offer, which has not been accepted as it is below the required minimum. The debtor has not provided a revised offer. Legal proceedings are continuing in the absence of a revised offer. The debtor was contacted on 5 June 2026 with regards to the proposed offer. Debtor advised that they will enter into an interim arrangement until the necessary funds is secured to submit a revised full and final settlement offer. Default judgment was granted on 26 June 2026. On 2 July 2026, an instruction was provided to the attorney to proceed with an application to attach the immovable property.
Kamal Cape Town Iron and Steel Company (Pty) Ltd	R 7 477 045.54	R 1 506 010.24	R 30 874.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 5 940 161.30	Last payment of R102 245.72 was received 3 June 2026. This is a defended matter relating to business rescue proceedings. Debt Management Legal is currently considering the write-off of a portion of the outstanding debt.

Table continues on next page.

Customer	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
K2018043765 (South Africa) Proprietary Limited	R 6 425 530.61	R 520 728.73	R 295 003.61	R 47 468.18	R 389 050.61	R 457 148.36	R 0.00	R 4 716 929.75	-R 798.63	Last payment of R130 000.00 was received on 6 May 2026. The debtor is expected to enter into a payment arrangement during July 2026, following the conclusion of the valuation dispute on 30 June 2026.
Upfront Investments Pty Ltd	R 6 166 097.51	R 217 201.52	R 109 167.15	R 107 213.49	R 106 782.09	R 107 714.68	R 105 597.36	R 584 534.16	R 4 827 887.06	This is a problem building. The property is occupied by illegal occupants. The liquidators are seeking to evict the illegal occupants. The City is investigating the possibility of transferring a servitude to the surrounding owners.
TOTAL	**R 165 496 359.86**	**R 7 636 681.42**	**R 2 153 991.30**	**R 814 525.96**	**R 3 369 842.27**	**R 3 210 171.86**	**R 1 145 320.17**	**R 45 756 256.59**	**R 95 243 472.78**	

Top 10 Commercial debtors service charges breakdown

Customer	Electricity	Water	Sewerage	Refuse	Rates	CIDS	Sundries	Other	TOTAL
Beadica 281 CC	R 43 510 151.21	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 34 431.15	R 43 544 582.36
Get Metal Properties Proprietary Limited	R 36 629 266.65	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 36 629 266.65
Myriad Trust	R 18 744 329.39	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 18 744 329.39
Parker Food Prop Proprietary Limited	R 15 907 919.32	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 14 228.74	R 15 922 148.06
Waste Tyre Transporters SA (Pty) Ltd	R 11 586 173.86	R 24 344.92	R 17 888.30	R 19 128.50	R 112 372.34	R 0.00	R 0.00	R 0.00	R 11 759 907.92
Bentifor (Pty) Ltd	R 0.00	R 3 704 107.37	R 5 095 880.94	R 0.00	R 1 664 302.24	R 322 195.18	R 0.00	R 0.00	R 10 786 485.73
Vaxobuzz Proprietary Limited	R 2 755 612.18	R 814 907.60	R 393 523.68	R 242 219.21	R 3 700 109.75	R 126 366.52	R 0.00	R 8 227.15	R 8 040 966.09
Kamal Cape Town Iron and Steel Company (Pty) Ltd	R 0.00	R 1 311 176.47	R 2 372 081.22	R 10 025.80	R 3 782 145.12	R 0.00	R 0.00	R 1 616.93	R 7 477 045.54
K2018043765 (South Africa) Proprietary Limited	R 0.00	R 5 675.11	R 4 360.09	R 503 921.92	R 4 703 108.44	R 1 208 465.05	R 0.00	R 0.00	R 6 425 530.61
Upfront Investments Pty Ltd	R 261 596.88	R 24 443.68	R 16 075.51	R 77 754.47	R 560 929.87	R 165 309.84	R 5 050 161.32	R 9 825.94	R 6 166 097.51

Top 10 Residential debtors - Age Analysis

Customer	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
Conference of the Methodist Church of Southern Africa	R11 230 990.21	R492 582.21	R275 936.91	R236 570.09	R236 479.33	R272 475.76	R241 352.80	R1 505 403.91	R7 970 189.20	A meeting was concluded with Methodist Church on 6 February 2026. A write-off of the debt was requested to allow for the property to have a zero balance to be transferred. The 14 meters being billed could not be traced and therefore can't be proven payable. The tariff also needs to be changed from domestic to church and school. A memo was submitted to the Director for Water and Sanitation for guidance regarding resolution. The Director requested an amended memo providing mitigation, which has been resubmitted. The mitigation includes removal of the 14 untraceable meters from the billing system and installing new meters to mitigate against estimated billing.
Church Methodist	R10 948 901.65	R155 097.38	R75 766.47	R80 143.07	R65 919.85	R80 850.57	R80 546.33	R435 692.82	R9 974 885.16	A meeting was concluded with Methodist Church on 6 February 2026. A write-off of the debt was requested to allow for the property to have a zero balance to be transferred. The 14 meters being billed could not be traced and therefore can't be proven payable. The tariff also needs to be changed from domestic to church and school. A memo was submitted to the Director for Water and Sanitation for guidance regarding resolution. The Director requested an amended memo providing mitigation, which has been resubmitted. The mitigation includes removal of the 14 untraceable meters from the billing system and installing new meters to mitigate against estimated billing.
Church Methodist	R9 757 007.73	R280 477.91	R153 895.11	R139 155.36	R134 532.73	R151 406.10	R134 789.01	R751 682.17	R8 011 069.34	A meeting was concluded with Methodist Church on 6 February 2026. A write-off of the debt was requested to allow for the property to have a zero balance to be transferred. The 14 meters being billed could not be traced and therefore can't be proven payable. The tariff also needs to be changed from domestic to church and school. A memo was submitted to the Director for Water and Sanitation for guidance regarding resolution. The Director requested an amended memo providing mitigation, which has been resubmitted. The mitigation includes removal of the 14 untraceable meters from the billing system and installing new meters to mitigate against estimated billing.
Bold Moves 127 (Pty) Ltd	R8 002 690.25	R163 741.69	R79 724.35	R293 331.64	R50 407.08	R270 279.81	R25 813.78	R4 229 600.19	R2 889 791.71	The property is in liquidation. The liquidator is currently evicting illegal occupants. The account was assigned to the City's attorneys. However, due to the liquidation proceedings the further summons action is stayed and cannot proceed. The liquidator has advised that a danger of contribution exist, therefore no claim for the City was submitted. The eviction process of the illegal occupiers has been completed.The liquidator has advised that an offer has been received for the property, and the prospective purchaser is currently in the process of securing the required financing and guarantees.

Table continues on next page.

Customer	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
Mitchells Plain Foundation	R7 939 644.11	R427 754.85	R327 455.56	R241 911.85	R447 461.07	R53 461.31	R52 523.58	R1 310 838.91	R5 078 236.98	The client is disputing the consumption charges for both water and electricity. Site inspections for both services were conducted in December 2025. Electricity department installed an AMI meter in November 2025 to prevent future estimated readings. Water and Sanitation provided feedback to the Chairperson on 16 January 2026 and confirmed that services are billing correctly. A follow-up was done with Electricity department on 6 February 2026 to request installation of prepaid meters. Debt management has sent the payment arrangement requirements, debit order forms with debt remission amounts that can be written off to the Chairperson on 19 and 29 January 2026. Follow-ups were done in January 2026 and on 6 February 2026. A request for prepaid meters to be installed has been sent to the Director: Electricity on 6 May 2026. Debt Management will consider requesting another service department with an electrical contractor to assist with the downgrade of the infrastructure to allow for pre-paid meters. The Director has engaged with the Chief Financial Officer (CFO) regarding the proposal, and a memorandum will be submitted in due course.
The Business Zone 1898 CC	R6 354 532.59	R265 071.41	R157 870.96	R144 022.18	R138 458.11	R155 630.02	R157 067.20	R814 074.02	R4 522 338.69	The attorney was advised to serve the summons at the address provided. The summons could not served, whereafter the attorney was advised on 5 February 2026 to serve the summons on the Director. The water supply was disconnected on 5 February 2026. An application to amend the summons was submitted to court in order to include the address of the director. The amended summons was granted on 20 April 2026 and was received back from court on 6 May 2026. The summons was subsequently forwarded to the Goodwood Sheriff on 6 May 2026 to serve on the director. The attorney advised on 15 May 2026 that the sheriff was unable to locate the directors at the provided address. Instructions were subsequently issued to trace the directors and to arrange for re-service by the sheriff. A follow-up email was sent to the attorney on 7 July 2026 requesting an update on the progress of tracing the directors.
Constantia Ridge Estates Pty Ltd	R4 934 200.53	R110 698.74	R70 822.98	R33 634.15	R52 006.02	R107 957.26	R15 682.31	R337 588.42	R4 205 810.65	A summons was issued in April 2025 and the client defended the matter. All required information was provided to the attorney with a request to provide the debtor's plea in order to establish whether there are further disputes. The City's particulars of claim were amended to include all claims against Constantia Ridge. The defendant's plea has subsequently been demanded and was due on 9 February 2026. The plea was not submitted in time by the debtor. An application for summary judgment is in progress. The supporting affidavits for the application were submitted on 2 March 2026. There is also a pending land ownership dispute. Feedback was requested from the collection attorney on 11 May 2026 on the summary judgment application. This account does not form part of the proposed settlement offer received from the debtor as there is a land ownership dispute. The debtor provided their plea which was responded to and a request for discovery documents were received. All requested documents were provided. A pre-trial hearing is to be scheduled for a later date during 2026.

Table continues on next page.

Customer	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
Broad Road Medicentre Body Corporate	R4 248 385.19	R2 440 587.47	R198.30	R0.00	R0.00	R0.00	R1 812 391.78	R0.00	-R4 792.36	There is an active instalment plan of R250 000.00 in place. Last payment of R715 043.76 was received on 7 July 2026.
Paarl Rock Body Corporate	R3 886 979.73	R254 049.15	R299 600.01	R0.00	R269 403.98	R0.00	R0.00	R3 064 869.25	-R942.66	There is an active payment arrangement of R50 000.00 in place. Last payment of R428 543.87 was received on 5 June 2026.
Cape Town City Mission	R3 601 624.36	R262 299.12	R134 896.63	R118 603.64	R107 443.91	R123 370.60	R133 963.49	R2 723 441.13	-R2 394.16	The client confirmed that a solar system will be installed, whereafter the reduction of the electricity bill will be reviewed to conclude the debt write-off and payment arrangement. A plumber was appointed by the client to determine if a leak exists on the property, and confirmation was received that no leak exists. A meeting was concluded on 11 February 2026 and the client was advised to apply for a water meter test. Feedback was received from the client on 9 April 2026 advising that their board approved the water meter test. Awaiting the installation of an AMI meter and meter test to reduce the bill.
TOTAL	**R70 904 956.35**	**R4 852 359.93**	**R1 576 167.28**	**R1 287 371.98**	**R1 502 112.08**	**R1 215 431.43**	**R2 654 130.28**	**R15 173 190.82**	**R42 644 192.55**	

Top 10 Residential debtors service charges breakdown

Customer	Electricity	Water	Sewerage	City Wide Cleaning	Refuse	Rates	Security Deposit	CIDS	Other	Sundries	TOTAL
Conference of the Methodist Church of Southern Africa	R 0.00	R 5 467 282.42	R 4 489 972.40	R 20 798.40	R 7 504.16	R 1 163 685.72	R 0.00	R 0.00	R 0.00	R 81 747.11	R 11 230 990.21
Church Methodist	R 0.00	R 10 791 788.39	R 154 115.44	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 2 997.82	R 0.00	R 10 948 901.65
Church Methodist	R 0.00	R 9 569 687.14	R 186 507.79	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 812.80	R 0.00	R 9 757 007.73
Bold Moves 127 (Pty) Ltd	R 342 126.42	R 1 972 094.48	R 1 560 216.75	R 0.00	R 241 088.72	R 1 194 086.77	R 0.00	R 162 620.70	R 2 522 305.32	R 8 151.09	R 8 002 690.25
Mitchells Plain Foundation	R 3 954 959.42	R 1 547 502.60	R 907 990.75	R 0.00	R 321 436.54	R 1 207 754.80	R 0.00	R 0.00	R 0.00	R 0.00	R 7 939 644.11
The Business Zone 1898 CC	R 0.00	R 2 153 917.28	R 1 687 626.93	R 41 139.95	R 511 951.60	R 1 935 352.09	R 0.00	R 0.00	R 23 876.66	R 668.08	R 6 354 532.59
Constantia Ridge Estates Pty Ltd	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 2 009 146.79	R 0.00	R 0.00	R 2 925 053.74	R 0.00	R 4 934 200.53
Broad Road Medicentre Body Corporate	R 2 772 540.82	R 969 400.28	R 419 372.65	R 0.00	R 86 834.44	R 0.00	R 0.00	R 0.00	R 237.00	R 0.00	R 4 248 385.19
Paarl Rock Body Corporate	R 696 309.79	R 254 805.38	R 172 058.54	R 0.00	R 85 129.33	R 0.00	R 0.00	R 0.00	R 2 678 676.69	R 0.00	R 3 886 979.73
Cape Town City Mission	R 1 711 464.85	R 828 360.40	R 558 586.09	R 27 135.60	R 115 166.97	R 203 867.53	R 0.00	R 0.00	R 156 344.74	R 698.18	R 3 601 624.36

IN YEAR BUDGET STATEMENT TABLES

Budget Statement Summary

The table below provides a high-level summation of the City’s operating- and capital budget, actuals to date, financial position and cash flow.

Description	2024/25	Budget Year 2025/26						
R thousands	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance								
Property rates	12 791 912	13 768 100	13 918 100	13 795 292	13 918 100	(122 808)	-0.9%	13 795 292
Service charges	31 769 117	34 064 443	34 106 458	34 787 997	34 106 458	681 540	2.0%	34 643 383
Investment revenue	1 559 083	758 522	1 309 154	1 512 127	1 309 154	202 973	15.5%	1 444 759
Transfers and subsidies - Operational	6 957 770	7 329 561	7 337 594	6 841 365	7 337 594	(496 229)	-6.8%	7 266 677
Other own revenue	13 818 333	14 811 680	14 722 069	15 235 377	14 722 069	513 308	3.5%	15 510 842
Total Revenue (excluding capital transfers and contributions)	**66 896 214**	**70 732 307**	**71 393 374**	**72 172 158**	**71 393 374**	**778 784**	**1.1%**	**72 660 952**
Employee costs	18 529 593	20 889 090	20 792 370	19 580 379	20 792 370	(1 211 990)	-5.8%	20 077 468
Remuneration of Councillors	185 833	197 729	198 376	194 133	198 376	(4 243)	-2.1%	194 156
Depreciation and amortisation	3 788 203	3 974 164	3 996 121	3 933 356	3 996 121	(62 765)	-1.6%	3 881 055
Interest	847 499	1 428 206	1 062 528	974 092	1 062 528	(88 436)	-8.3%	992 188
Inventory consumed and bulk purchases	23 410 110	25 654 842	25 521 585	25 166 898	25 521 585	(354 686)	-1.4%	25 363 114
Transfers and subsidies	373 494	388 523	378 939	331 478	378 939	(47 461)	-12.5%	356 815
Other expenditure	16 933 571	18 744 452	19 021 537	18 369 483	19 021 537	(652 054)	-3.4%	18 690 378
Total Expenditure	**64 068 302**	**71 277 006**	**70 971 456**	**68 549 820**	**70 971 456**	**(2 421 636)**	**-3.4%**	**69 555 173**
Surplus/(Deficit)	**2 827 912**	**(544 699)**	**421 919**	**3 622 338**	**421 919**	**3 200 419**	**758.5%**	**3 105 779**
Transfers and subsidies - capital (monetary allocations)	2 612 522	3 855 190	4 344 729	3 036 619	4 344 729	(1 308 110)	-30.1%	4 014 685
Transfers and subsidies - capital (in-kind)	898	–	–	231	–	231	100.0%	–
Surplus/(Deficit) after capital transfers & contributions	**5 441 332**	**3 310 490**	**4 766 647**	**6 659 188**	**4 766 647**	**1 892 540**	**39.7%**	**7 120 465**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	-	–
Surplus/ (Deficit) for the year	**5 441 332**	**3 310 490**	**4 766 647**	**6 659 188**	**4 766 647**	**1 892 540**	**39.7%**	**7 120 465**
Capital expenditure & funds sources								
Capital expenditure	**9 351 390**	**12 862 639**	**13 475 562**	**11 512 778**	**13 475 562**	**(1 962 784)**	**-14.6%**	**12 326 500**
Capital transfers recognised	2 541 359	3 855 190	4 344 729	3 557 346	4 344 729	(787 383)	-18.1%	3 904 400
Borrowing	5 854 382	5 000 000	5 000 000	4 208 250	5 000 000	(791 750)	-15.8%	4 564 727
Internally generated funds	955 649	4 007 449	4 130 833	3 747 182	4 130 833	(383 651)	-9.3%	3 857 373
Total sources of capital funds	**9 351 390**	**12 862 639**	**13 475 562**	**11 512 778**	**13 475 562**	**(1 962 784)**	**-14.6%**	**12 326 500**
Financial position								
Total current assets	23 663 772	25 618 987	23 782 866	23 397 118				23 782 866
Total non current assets	75 849 787	85 146 169	85 576 132	86 822 915				85 576 132
Total current liabilities	13 557 517	16 508 768	14 707 294	14 877 989				14 707 294
Total non current liabilities	13 139 535	20 716 339	17 162 691	15 553 570				17 162 691
Community wealth/Equity	**72 816 507**	**73 540 049**	**77 489 013**	**79 788 475**				**77 489 013**
Cash flows								
Net cash from (used) operating	10 268 540	6 775 094	8 538 646	10 969 949	8 538 646	(2 431 304)	-28.5%	8 538 646
Net cash from (used) investing	(7 737 017)	(12 945 536)	(13 638 240)	(10 664 073)	(13 638 240)	(2 974 167)	21.8%	(13 638 240)
Net cash from (used) financing	757 432	3 882 699	3 921 463	2 467 407	3 921 463	1 454 056	37.1%	3 921 463
Cash/cash equivalents at the month/year end	**10 576 530**	**6 340 418**	**9 398 399**	**13 349 814**	**9 398 398**	**(3 951 415)**	**-42.0%**	**9 398 399**

Note: NT, in terms of mSCOA and the MBRR reporting, requires municipalities to report on water inventory as gains, inventory consumed, and losses. This table discloses the financial performance inclusive of all water inventory accounts.

Financial Performance (standard classification)

The table below is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.

Description	2024/25	Budget Year 2025/26						
R thousands	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional								
Governance and administration	**21 108 953**	**20 909 478**	**21 743 403**	**21 864 084**	**21 743 403**	**120 681**	**0.6%**	**21 867 230**
Executive and council	1 551	393	393	1 904	393	1 511	384.7%	1 541
Finance and administration	21 107 407	20 909 081	21 743 007	21 862 180	21 743 007	119 173	0.5%	21 865 686
Internal audit	(5)	4	4	0	4	(3)	-90.8%	4
Community and public safety	**4 733 583**	**4 736 777**	**4 811 325**	**4 935 587**	**4 811 325**	**124 261**	**2.6%**	**5 274 604**
Community and social services	116 238	142 377	143 286	130 782	143 286	(12 504)	-8.7%	146 694
Sport and recreation	84 346	66 264	67 391	72 058	67 391	4 667	6.9%	66 317
Public safety	2 492 605	2 344 266	2 366 753	2 840 517	2 366 753	473 764	20.0%	2 832 430
Housing	1 636 011	1 732 928	1 781 787	1 537 274	1 781 787	(244 513)	-13.7%	1 775 325
Health	404 383	450 941	452 107	354 954	452 107	(97 152)	-21.5%	453 836
Economic and environmental services	**3 068 851**	**4 279 566**	**4 251 147**	**3 401 378**	**4 251 147**	**(849 769)**	**-20.0%**	**4 079 985**
Planning and development	682 164	740 131	745 709	779 278	745 709	33 569	4.5%	799 864
Road transport	2 326 957	3 479 674	3 444 876	2 576 642	3 444 876	(868 234)	-25.2%	3 231 962
Environmental protection	59 731	59 761	60 561	45 458	60 561	(15 104)	-24.9%	48 158
Trading services	**40 598 165**	**44 660 289**	**44 930 946**	**45 007 165**	**44 930 946**	**76 219**	**0.2%**	**45 450 962**
Energy sources	23 119 362	24 327 273	24 476 412	24 999 540	24 476 412	523 128	2.1%	25 020 048
Water management	11 459 260	12 582 605	12 973 197	12 492 011	12 973 197	(481 186)	-3.7%	12 973 197
Waste water management	3 896 855	4 438 859	4 448 351	4 500 726	4 448 351	52 375	1.2%	4 448 369
Waste management	2 122 688	3 311 553	3 032 987	3 014 889	3 032 987	(18 098)	-0.6%	3 009 348
Other	**83**	**1 387**	**1 281**	**794**	**1 281**	**(488)**	**-38.1%**	**2 857**
Total Revenue - Functional	**69 509 634**	**74 587 497**	**75 738 103**	**75 209 008**	**75 738 103**	**(529 095)**	**-0.7%**	**76 675 638**
Expenditure - Functional								
Governance and administration	**10 459 664**	**3 255 812**	**3 422 554**	**10 693 253**	**3 269 224**	**7 424 029**	**227.1%**	**2 474 615**
Executive and council	574 706	133 192	229 079	579 067	229 950	349 117	151.8%	103 626
Finance and administration	9 820 356	3 119 756	3 189 568	10 042 523	3 035 345	7 007 179	230.9%	2 364 215
Internal audit	64 602	2 864	3 907	71 662	3 929	67 733	1723.8%	6 774
Community and public safety	**11 131 952**	**15 569 877**	**15 391 198**	**11 441 584**	**15 534 561**	**(4 092 977)**	**-26.3%**	**14 684 373**
Community and social services	1 180 490	1 853 305	1 861 746	1 250 286	1 873 494	(623 207)	-33.3%	1 844 917
Sport and recreation	1 739 448	2 460 335	2 509 353	1 856 462	2 587 134	(730 672)	-28.2%	2 535 299
Public safety	4 715 741	6 736 213	6 495 353	4 663 944	6 496 675	(1 832 730)	-28.2%	5 784 528
Housing	1 910 760	2 609 915	2 651 093	2 034 947	2 691 061	(656 114)	-24.4%	2 667 986
Health	1 585 513	1 910 108	1 873 654	1 635 944	1 886 198	(250 254)	-13.3%	1 851 643
Economic and environmental services	**6 847 287**	**8 166 494**	**8 462 731**	**7 767 764**	**8 452 967**	**(685 204)**	**-8.1%**	**8 785 405**
Planning and development	1 772 352	2 246 064	2 197 707	1 954 093	2 183 742	(229 649)	-10.5%	2 157 164
Road transport	4 718 761	5 379 680	5 640 298	5 325 095	5 652 474	(327 379)	-5.8%	5 989 766
Environmental protection	356 174	540 749	624 726	488 576	616 752	(128 176)	-20.8%	638 475
Trading services	**35 498 979**	**44 043 437**	**43 444 512**	**38 520 987**	**43 465 270**	**(4 944 283)**	**-11.4%**	**43 376 321**
Energy sources	21 471 119	23 965 586	23 693 366	22 766 408	23 695 931	(929 524)	-3.9%	23 402 252
Water management	9 186 556	10 863 512	10 834 424	9 615 135	10 785 552	(1 170 417)	-10.9%	10 854 773
Waste water management	3 924 979	6 054 187	5 899 280	4 520 670	5 937 885	(1 417 215)	-23.9%	6 054 453
Waste management	916 325	3 160 152	3 017 442	1 618 775	3 045 902	(1 427 127)	-46.9%	3 064 843
Other	**130 420**	**241 386**	**250 460**	**134 291**	**249 433**	**(115 141)**	**-46.2%**	**234 459**
Total Expenditure - Functional	**64 068 302**	**71 277 006**	**70 971 456**	**68 557 879**	**70 971 456**	**(2 413 577)**	**-3.4%**	**69 555 173**
Surplus/ (Deficit) for the year	**5 441 332**	**3 310 490**	**4 766 647**	**6 651 129**	**4 766 647**	**1 884 481**	**39.5%**	**7 120 465**

Note: As per GFS classification, Trading Services expenditure above excludes Street Lighting provisions (included with Community and public safety).

Financial Performance (revenue and expenditure by municipal vote)

The table below shows budgeted financial performance in relation to the revenue and expenditure by vote as well as the operating surplus or deficit.

Vote Description	2024/25	Budget Year 2025/26						
R thousands	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote								
Vote 1 - Community Services & Health	954 625	988 503	991 345	849 881	991 345	(141 464)	-14.3%	995 151
Vote 2 - Corporate Services	110 467	99 480	100 355	107 906	100 355	7 551	7.5%	114 801
Vote 3 - Economic Growth	543 626	367 264	376 088	427 953	376 088	51 865	13.8%	427 949
Vote 4 - Energy	22 909 443	24 085 011	24 234 150	24 757 191	24 234 150	523 041	2.2%	24 777 791
Vote 5 - Finance	20 070 032	20 156 511	20 960 268	21 071 519	20 960 268	111 251	0.5%	21 003 648
Vote 6 - Future Planning & Resilience	83 533	65 915	74 880	59 253	74 880	(15 627)	-20.9%	74 880
Vote 7 - Human Settlements	1 654 231	1 771 568	1 813 865	1 560 917	1 813 865	(252 948)	-13.9%	1 807 432
Vote 8 - Office of the City Manager	1 246	957	4 367	3 603	4 367	(764)	-17.5%	4 729
Vote 9 - Safety & Security	2 540 700	2 396 509	2 420 241	2 893 731	2 420 241	473 489	19.6%	2 886 999
Vote 10 - Spatial Planning & Environment	718 635	749 446	743 002	784 056	743 002	41 054	5.5%	734 278
Vote 11 - Urban Mobility	2 388 773	3 511 579	3 527 866	2 643 814	3 527 866	(884 052)	-25.1%	3 381 683
Vote 12 - Urban Waste Management	2 166 763	3 323 144	3 051 749	3 031 911	3 051 749	(19 838)	-0.7%	3 026 370
Vote 13 - Water & Sanitation	15 367 562	17 071 610	17 439 928	17 017 274	17 439 928	(422 655)	-2.4%	17 439 928
Total Revenue by Vote	**69 509 634**	**74 587 497**	**75 738 103**	**75 209 008**	**75 738 103**	**(529 095)**	**-0.7%**	**76 675 638**
Expenditure by Vote								
Vote 1 - Community Services & Health	4 472 308	4 917 247	4 885 956	4 625 079	4 885 939	(260 859)	-5.3%	4 742 269
Vote 2 - Corporate Services	3 864 363	4 123 703	4 139 794	4 136 993	4 139 794	(2 801)	-0.1%	3 921 995
Vote 3 - Economic Growth	672 720	760 365	791 514	754 487	791 514	(37 027)	-4.7%	737 696
Vote 4 - Energy	19 635 188	21 757 162	21 498 611	21 207 525	21 498 611	(291 086)	-1.4%	21 168 382
Vote 5 - Finance	3 871 516	4 496 215	4 341 917	4 014 885	4 341 917	(327 033)	-7.5%	4 237 922
Vote 6 - Future Planning & Resilience	570 006	595 825	624 870	603 273	624 870	(21 597)	-3.5%	624 870
Vote 7 - Human Settlements	1 670 179	1 705 085	1 749 764	1 739 730	1 749 764	(10 034)	-0.6%	1 749 764
Vote 8 - Office of the City Manager	524 964	524 560	552 288	535 617	552 288	(16 671)	-3.0%	552 329
Vote 9 - Safety & Security	5 836 592	6 692 842	6 729 908	6 234 679	6 729 908	(495 229)	-7.4%	6 163 173
Vote 10 - Spatial Planning & Environment	1 636 041	1 953 826	1 995 205	1 872 930	1 995 222	(122 292)	-6.1%	1 995 205
Vote 11 - Urban Mobility	4 372 867	4 706 689	4 865 846	4 737 900	4 865 846	(127 946)	-2.6%	4 865 784
Vote 12 - Urban Waste Management	3 750 562	4 100 966	3 981 597	3 906 872	3 981 597	(74 725)	-1.9%	3 981 597
Vote 13 - Water & Sanitation	13 190 995	14 942 522	14 814 186	14 179 850	14 814 186	(634 336)	-4.3%	14 814 186
Total Expenditure by Vote	**64 068 302**	**71 277 006**	**70 971 456**	**68 549 820**	**70 971 456**	**(2 421 636)**	**-3.4%**	**69 555 173**
Surplus/ (Deficit) for the year	**5 441 332**	**3 310 490**	**4 766 647**	**6 659 188**	**4 766 647**	**1 892 540**	**39.7%**	**7 120 465**

Note: the above table includes capital grant and donations (CGD).

Financial Performance (revenue by source and expenditure by type)

The table below is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type**.**

Description R thousands	2024/25	Budget Year 2025/26						
	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Revenue</u>								
Exchange Revenue								
Service charges - Electricity	22 503 545	23 663 555	23 663 555	24 218 173	23 663 555	554 618	2.3%	24 218 149
Service charges - Water	5 167 722	5 776 241	5 868 665	5 907 911	5 868 665	39 245	0.7%	5 868 495
Service charges - Waste Water Management	2 623 012	2 966 006	2 963 426	3 067 207	2 963 426	103 781	3.5%	2 963 426
Service charges - Waste management	1 474 838	1 658 640	1 610 811	1 594 707	1 610 811	(16 104)	-1.0%	1 593 314
Sale of Goods and Rendering of Services	752 490	816 579	732 137	782 118	732 137	49 981	6.8%	806 185
Agency services	288 826	302 874	302 874	299 677	302 874	(3 197)	-1.1%	299 405
Interest	–	–	–	–	–	–	-	–
Interest earned from Receivables	362 159	339 731	329 033	336 403	329 033	7 370	2.2%	328 583
Interest from Current and Non Current Assets	1 559 083	758 522	1 309 154	1 512 127	1 309 154	202 973	15.5%	1 444 759
Dividends	3 270	–	–	3 807	–	3 807	100.0%	3 807
Rent on Land	–	–	–	–	–	–	-	–
Rental from Fixed Assets	535 280	494 307	495 960	542 334	495 960	46 373	9.4%	542 028
Licence and permits	1 452	205	205	999	205	794	386.9%	997
Special rating levies	–	494 107	486 882	497 812	486 882	10 930	2.2%	494 972
Operational Revenue	539 210	423 376	391 276	500 111	391 276	108 835	27.8%	500 480
Non-Exchange Revenue								
Property rates	12 791 912	13 768 100	13 918 100	13 795 292	13 918 100	(122 808)	-0.9%	13 795 292
Surcharges and Taxes	431 181	–	–	–	–	–	-	–
Fines, penalties and forfeits	2 010 667	1 878 556	1 905 299	2 425 444	1 905 299	520 145	27.3%	2 384 712
Licence and permits	46 471	50 301	47 909	45 813	47 909	(2 096)	-4.4%	46 874
Transfers and subsidies - Operational	6 957 770	7 329 561	7 337 594	6 841 365	7 337 594	(496 229)	-6.8%	7 266 677
Interest	145 735	98 675	98 675	129 211	98 675	30 536	30.9%	128 949
Fuel Levy	2 749 549	2 851 776	2 851 776	2 851 776	2 851 776	–	-	2 851 776
Operational Revenue	–	906 078	769 510	766 107	769 510	(3 403)	-0.4%	765 773
Gains on disposal of Assets	267 624	70 772	84 226	121 515	84 226	37 290	44.3%	124 841
Other Gains	5 684 418	6 084 343	6 226 308	5 932 251	6 226 308	(294 057)	-4.7%	6 231 462
Discontinued Operations	–	–	–	–	–	–	-	–
Total Revenue (excluding capital transfers and contributions)	**66 896 214**	**70 732 307**	**71 393 374**	**72 172 158**	**71 393 374**	**778 784**	**1.1%**	**72 660 952**
<u>Expenditure By Type</u>								
Employee related costs	18 529 593	20 889 090	20 792 370	19 580 379	20 792 370	(1 211 990)	-5.8%	20 077 468
Remuneration of councillors	185 833	197 729	198 376	194 133	198 376	(4 243)	-2.1%	194 156
Bulk purchases - electricity	16 333 059	17 755 086	17 755 086	17 800 561	17 755 086	45 475	0.3%	17 757 170
Inventory consumed	7 077 050	7 899 755	7 766 498	7 366 338	7 766 498	(400 161)	-5.2%	7 605 944
Debt impairment	(935 100)	3 217 478	3 178 514	2 738 321	3 178 514	(440 193)	-13.8%	3 043 435
Depreciation and amortisation	3 788 203	3 974 164	3 996 121	3 933 356	3 996 121	(62 765)	-1.6%	3 881 055
Interest	847 499	1 428 206	1 062 528	974 092	1 062 528	(88 436)	-8.3%	992 188
Contracted services	9 963 588	11 100 541	11 289 065	10 994 770	11 289 065	(294 296)	-2.6%	11 146 068
Transfers and subsidies	373 494	388 523	378 939	331 478	378 939	(47 461)	-12.5%	356 815
Irrecoverable debts written off	3 996 428	123 202	198 594	648 783	198 594	450 189	226.7%	331 185
Operational costs	3 504 247	3 768 638	3 869 855	3 539 992	3 869 855	(329 864)	-8.5%	3 633 961
Losses on Disposal of Assets	40 757	2 500	3 577	18 596	3 577	15 019	419.8%	17 870
Other Losses	363 650	532 092	481 931	429 022	481 931	(52 909)	-11.0%	517 860
Total Expenditure	**64 068 302**	**71 277 006**	**70 971 456**	**68 549 820**	**70 971 456**	**(2 421 636)**	**-3.4%**	**69 555 173**
Surplus/(Deficit)	**2 827 912**	**(544 699)**	**421 919**	**3 622 338**	**421 919**	**3 200 419**	**758.5%**	**3 105 779**
Transfers and subsidies - capital (monetary allocations)	2 612 522	3 855 190	4 344 729	3 036 619	4 344 729	(1 308 110)	-30.1%	4 014 685
Transfers and subsidies - capital (in-kind)	898	–	–	231	–	231	100.0%	–
Surplus/(Deficit) after capital transfers & contributions	**5 441 332**	**3 310 490**	**4 766 647**	**6 659 188**	**4 766 647**			**7 120 465**
Income Tax	–	–	–	–	–	–	-	–
Surplus/(Deficit) after income tax	**5 441 332**	**3 310 490**	**4 766 647**	**6 659 188**	**4 766 647**			**7 120 465**
Share of Surplus/Deficit attributable to Joint Venture	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality	**5 441 332**	**3 310 490**	**4 766 647**	**6 659 188**	**4 766 647**			**7 120 465**
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions	–	–	–	–	–			–
Surplus/ (Deficit) for the year	**5 441 332**	**3 310 490**	**4 766 647**	**6 659 188**	**4 766 647**			**7 120 465**

Note: NT, in terms of mSCOA and the MBRR reporting, requires municipalities to report on water inventory as gains, inventory consumed, and losses. This table discloses the financial performance inclusive of all water inventory accounts.

Capital Expenditure (municipal vote, standard classification and funding)

The table below reflects the City's capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and funding sources required to fund the capital budget, including information on capital transfers from National and Provincial departments.

Vote Description	2024/25	Budget Year 2025/26						
R thousands	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation								
Vote 1 - Community Services & Health	310 514	317 218	336 481	300 502	336 481	(35 979)	-10.7%	325 956
Vote 2 - Corporate Services	420 495	498 476	741 143	696 635	741 143	(44 508)	-6.0%	716 921
Vote 3 - Economic Growth	94 372	111 099	138 195	92 332	138 195	(45 863)	-33.2%	125 459
Vote 4 - Energy	1 063 370	1 249 640	1 360 754	1 278 350	1 360 754	(82 404)	-6.1%	1 299 559
Vote 5 - Finance	75 738	123 163	125 343	120 534	125 343	(4 810)	-3.8%	119 992
Vote 6 - Future Planning & Resilience	25 034	5 414	21 816	20 833	21 816	(983)	-4.5%	20 835
Vote 7 - Human Settlements	939 469	1 228 699	1 440 465	1 362 756	1 440 465	(77 709)	-5.4%	1 419 961
Vote 8 - Office of the City Manager	6 015	8 675	18 484	18 182	18 484	(302)	-1.6%	18 203
Vote 9 - Safety & Security	466 205	344 830	426 282	422 159	426 282	(4 123)	-1.0%	425 927
Vote 10 - Spatial Planning & Environment	268 940	519 567	459 112	407 973	459 112	(51 139)	-11.1%	421 072
Vote 11 - Urban Mobility	1 583 173	3 090 530	3 021 950	2 347 541	3 021 950	(674 409)	-22.3%	2 490 950
Vote 12 - Urban Waste Management	384 643	438 953	450 047	425 523	450 047	(24 524)	-5.4%	429 720
Vote 13 - Water & Sanitation	3 713 424	4 926 374	4 935 490	4 019 459	4 935 490	(916 030)	-18.6%	4 511 945
Total Capital Expenditure	**9 351 390**	**12 862 639**	**13 475 562**	**11 512 778**	**13 475 562**	**(1 962 784)**	**-14.6%**	**12 326 500**
Capital Expenditure - Functional Classification								
Governance and administration	***1 155 345***	***1 338 710***	***1 895 417***	***1 692 886***	***1 895 417***	***(202 532)***	***-10.7%***	***1 725 379***
Executive and council	1 718	27 948	29 190	27 134	29 190	(2 057)	-7.0%	28 485
Finance and administration	1 153 545	1 310 672	1 866 220	1 665 745	1 866 220	(200 475)	-10.7%	1 696 887
Internal audit	82	90	7	7	7	-	-	7
Community and public safety	***1 638 433***	***1 864 454***	***2 203 316***	***2 080 062***	***2 203 316***	***(123 254)***	***-5.6%***	***2 170 150***
Community and social services	90 140	138 247	149 213	135 504	149 213	(13 709)	-9.2%	147 356
Sport and recreation	220 737	235 626	270 677	239 678	270 677	(30 999)	-11.5%	256 969
Public safety	357 903	231 780	326 409	323 494	326 409	(2 915)	-0.9%	326 383
Housing	932 296	1 202 911	1 422 264	1 347 518	1 422 264	(74 746)	-5.3%	1 404 721
Health	37 356	55 890	34 753	33 867	34 753	(886)	-2.5%	34 721
Economic and environmental services	***1 893 042***	***3 604 890***	***3 361 523***	***2 655 240***	***3 361 523***	***(706 283)***	***-21.0%***	***2 838 804***
Planning and development	161 485	280 769	232 074	175 806	232 074	(56 268)	-24.2%	208 897
Road transport	1 549 436	3 013 970	2 806 629	2 184 319	2 806 629	(622 310)	-22.2%	2 327 412
Environmental protection	182 121	310 151	322 820	295 115	322 820	(27 705)	-8.6%	302 495
Trading services	***4 663 470***	***6 052 141***	***6 011 904***	***5 081 189***	***6 011 904***	***(930 715)***	***-15.5%***	***5 588 765***
Energy sources	1 075 730	1 228 075	1 333 618	1 251 749	1 333 618	(81 869)	-6.1%	1 273 098
Water management	938 295	1 478 230	1 451 701	1 084 865	1 451 701	(366 837)	-25.3%	1 238 874
Waste water management	2 488 246	3 258 361	3 134 944	2 670 201	3 134 944	(464 742)	-14.8%	2 998 229
Waste management	161 199	87 476	91 641	74 373	91 641	(17 268)	-18.8%	78 564
Other	**1 100**	**2 445**	**3 401**	**3 401**	**3 401**	-	-	**3 401**
Total Capital Expenditure - Functional Classification	**9 351 390**	**12 862 639**	**13 475 562**	**11 512 778**	**13 475 562**	**(1 962 784)**	**-14.6%**	**12 326 500**
Funded by:								
National Government	2 466 508	3 735 882	4 226 332	3 489 220	4 226 332	(737 112)	-17.4%	3 833 014
Provincial Government	14 200	6 657	10 690	10 690	10 690	-	-	10 690
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	60 650	112 651	107 707	57 436	107 707	(50 271)	-46.7%	60 696
Transfers recognised - capital	**2 541 359**	**3 855 190**	**4 344 729**	**3 557 346**	**4 344 729**	**(787 383)**	**-18.1%**	**3 904 400**
Borrowing	**5 854 382**	**5 000 000**	**5 000 000**	**4 208 250**	**5 000 000**	**(791 750)**	**-15.8%**	**4 564 727**
Internally generated funds	**955 649**	**4 007 449**	**4 130 833**	**3 747 182**	**4 130 833**	**(383 651)**	**-9.3%**	**3 857 373**
Total Capital Funding	**9 351 390**	**12 862 639**	**13 475 562**	**11 512 778**	**13 475 562**	**(1 962 784)**	**-14.6%**	**12 326 500**

Financial Position

The table below reflects the performance to date in relation to the financial position of the City.

Description R thousands	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash and cash equivalents	14 247 212	13 306 706	12 822 113	13 577 012	12 822 113
Trade and other receivables from exchange transactions	5 181 046	4 274 283	3 507 487	4 923 411	3 507 487
Receivables from non-exchange transactions	3 135 644	6 313 491	6 321 403	3 353 057	6 321 403
Current portion of non-current receivables	64	60	64	64	64
Inventory	510 200	527 450	542 490	585 402	542 490
VAT	589 606	1 196 998	589 309	958 172	589 309
Other current assets	–	–	–	–	–
Total current assets	**23 663 772**	**25 618 987**	**23 782 866**	**23 397 118**	**23 782 866**
Non current assets					
Investments	4 248 048	2 517 807	4 495 016	7 641 817	4 495 016
Investment property	572 702	571 011	571 191	572 702	571 191
Property, plant and equipment	70 077 308	81 391 618	79 719 375	77 656 730	79 719 375
Biological assets	–	–	–	–	–
Living and non-living resources	1 112	1 440	962	1 112	962
Heritage assets	10 324	11 184	10 555	10 324	10 555
Intangible assets	940 198	653 094	779 003	940 198	779 003
Trade and other receivables from exchange transactions	–	–	–	–	–
Non-current receivables from non-exchange transactions	95	14	31	30	31
Other non-current assets	–	–	–	–	–
Total non current assets	**75 849 787**	**85 146 169**	**85 576 132**	**86 822 915**	**85 576 132**
TOTAL ASSETS	**99 513 559**	**110 765 156**	**109 358 998**	**110 220 033**	**109 358 998**
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Financial liabilities	761 578	1 346 115	1 115 639	761 578	1 115 639
Consumer deposits	560 056	499 971	585 765	722 398	585 765
Trade and other payables from exchange transactions	8 669 836	11 386 511	10 251 106	8 144 752	10 251 106
Trade and other payables from non-exchange transactions	1 141 121	833 187	307 105	2 326 498	307 105
Provision	1 918 135	1 981 571	2 039 045	1 897 096	2 039 045
VAT	506 791	461 413	408 634	1 025 666	408 634
Other current liabilities	–	–	–	–	–
Total current liabilities	**13 557 517**	**16 508 768**	**14 707 294**	**14 877 989**	**14 707 294**
Non current liabilities					
Financial liabilities	6 529 854	13 459 944	9 961 515	8 943 889	9 961 515
Provision	6 609 681	7 256 395	7 201 176	6 609 681	7 201 176
Long term portion of trade payables	–	–	–	–	–
Other non-current liabilities	–	–	–	–	–
Total non current liabilities	**13 139 535**	**20 716 339**	**17 162 691**	**15 553 570**	**17 162 691**
TOTAL LIABILITIES	**26 697 052**	**37 225 107**	**31 869 985**	**30 431 558**	**31 869 985**
NET ASSETS	**72 816 507**	**73 540 049**	**77 489 013**	**79 788 475**	**77 489 013**
COMMUNITY WEALTH/EQUITY					
Accumulated surplus/(deficit)	67 566 495	68 264 566	70 834 971	74 939 285	70 834 971
Reserves and funds	5 250 013	5 275 483	6 654 042	4 849 190	6 654 042
Other	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	**72 816 507**	**73 540 049**	**77 489 013**	**79 788 475**	**77 489 013**

Cash Flow

The City's cash flow position and cash/cash equivalent outcome is shown in the table below.

Description R thousands	2024/25	Budget Year 2025/26						
	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates	13 676 718	13 662 239	13 798 856	14 017 390	13 798 856	218 534	1.6%	13 798 856
Service charges	31 081 542	33 879 903	33 755 081	34 955 214	33 755 081	1 200 133	3.6%	33 755 081
Other revenue	5 689 825	5 167 880	5 077 136	7 450 575	5 077 136	2 373 439	46.7%	5 077 136
Transfers and Subsidies - Operational	6 885 080	7 329 561	7 337 594	7 406 593	7 337 594	69 000	0.9%	7 337 594
Transfers and Subsidies - Capital	3 073 968	3 855 190	4 344 729	4 150 858	4 344 729	(193 871)	-4.5%	4 344 729
Interest	1 657 394	758 522	1 309 154	1 593 461	1 309 154	284 307	21.7%	1 309 154
Dividends	3 270	–	–	–	–	–	-	–
Payments								
Suppliers and employees	(50 964 018)	(56 122 085)	(55 666 489)	(57 684 655)	(55 666 489)	(2 018 166)	3.6%	(55 666 489)
Interest	(825 799)	(1 367 594)	(1 006 061)	(917 330)	(1 006 061)	88 730	-8.8%	(1 006 061)
Transfers and Subsidies	(9 440)	(388 523)	(411 354)	(2 156)	(411 354)	409 198	-99.5%	(411 354)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**10 268 540**	**6 775 094**	**8 538 646**	**10 969 949**	**8 538 646**	**2 431 304**	**28.5%**	**8 538 646**
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	347 083	70 772	84 226	–	84 226	(84 226)	-100.0%	84 226
Decrease (increase) in non-current receivables	341	60	64	–	64	(64)	-100.0%	64
Decrease (increase) in non-current investments	1 579 285	(153 729)	(246 967)	–	(246 968)	246 968	-100.0%	(246 967)
Payments								
Capital assets	(9 663 726)	(12 862 639)	(13 475 562)	(10 664 073)	(13 475 562)	(2 811 489)	20.9%	(13 475 562)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(7 737 017)**	**(12 945 536)**	**(13 638 240)**	**(10 664 073)**	**(13 638 240)**	**2 974 167**	**-21.8%**	**(13 638 240)**
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	–	–	–	–	–	–	-	–
Borrowing long term/refinancing	3 435 400	5 000 000	5 000 000	3 548 320	5 000 000	(1 451 680)	-29.0%	5 000 000
Increase (decrease) in consumer deposits	–	22 041	25 709	–	25 709	(25 709)	-100.0%	25 709
Payments								
Repayment of borrowing	(2 677 968)	(1 139 343)	(1 104 247)	(1 080 913)	(1 104 247)	(23 333)	2.1%	(1 104 247)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**757 432**	**3 882 699**	**3 921 463**	**2 467 407**	**3 921 463**	(1 454 056)	-37.1%	**3 921 463**
NET INCREASE/ (DECREASE) IN CASH HELD	**3 288 955**	**(2 287 744)**	**(1 178 131)**	**2 773 283**	**(1 178 132)**			**(1 178 131)**
Cash/cash equivalents at beginning:	7 287 575	8 628 162	10 576 530	10 576 530	10 576 530			10 576 530
Cash/cash equivalents at month/year end:	10 576 530	6 340 418	9 398 399	13 349 814	9 398 398			9 398 399

SUPPORTING TABLES

Material variance explanations for operating revenue by source and by vote

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue				
Exchange Revenue				
Service charges - Electricity	554 618	2.3%	The variance is due to no load-shedding being implemented during the financial year.	No corrective action required.
Service charges - Water	39 245	0.7%	The variance is mainly as a result of service charges for water sales in the domestic full and cluster as well as industrial/commercial categories being higher than anticipated.	No corrective action required.
Service charges - Waste Water Management	103 781	3.5%	The variance is mainly due to higher than anticipated usage during the summer period.	No corrective action required.
Service charges - Waste management	(16 104)	-1.0%	Immaterial variance.	-
Sale of Goods and Rendering of Services	49 981	6.8%	The variance is a combination of over/under mainly on the following items: 1. Admission/Entrance Fees (over), due to an increase in visitors at nature reserves. 2. Building Levies/Scrutiny Fees (over), which is dependent on the construction industry where constant fluctuations are evident, making revenue difficult to predict. 3. Parking Fees (over), due to the implementation of the new parking tender covering additional areas. 4. Bus fares - Transit Products (over), due to a higher than anticipated demand for the services. 5. Treatment Effluent - Sales (under), as a result of adjustments made on the billing of treated effluent which resulted in previously recorded actuals being reversed.	No corrective action required.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue				
Agency services	(3 197)	-1.1%	Immaterial variance.	-
Interest	–	-	-	-
Interest earned from Receivables	7 370	2.2%	Immaterial variance.	-
Interest from Current and Non Current Assets	202 973	15.5%	The variance is a combination of over-/under-recovery mainly on the following items: 1. Interest Received: Short Term and Call fixed deposits (over), due to higher cash and investment balances, and more favourable interest rates offered in the market than anticipated. 2. Interest Received - Allocation to Donors (under), due to the reversal of interest earned on funds written back. The adjustment was required as a result of unspent grant balances.	No corrective action required.
Dividends	3 807	100.0%	The variance is due to a dividend received from the CTICC on 29 June 2026. The board of the CTICC declared and paid a final dividend of R298.56 per Class C ordinary share, resulting in a total dividend payment of R3,8 million to the City in respect of its Class C ordinary shareholding.	No corrective action required.
Rental from Fixed Assets	46 373	9.4%	The variance is mainly on: 1. Rental Fixed Assets: Non-market Related, due to less than planned saleable units being transferred resulting in an over-recovery in rentals year-to-date. 2. Rental Fixed Assets: Market related other, due to unanticipated revenue realised from new leases.	No corrective action required.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue				
Licence and permits	794	386.9%	The variance is due to higher-than-expected income linked to applications for extended liquor licence trading hours, and spaza shop health compliance certificates.	No corrective action required.
Special rating levies	10 930	2.2%	Immaterial variance.	-
Operational Revenue	108 835	27.8%	The variance is mainly on the following items: 1. Development Contribution/Levy & BICL, due to higher than planned revenue on property development, which is difficult to accurately predict for monthly cash flow purposes. 2. Skills Development Fund Levy, due to the skills levy being higher than anticipated. 3. Collection Charges Recovered, due to an increase in the number of customers being handed over to the attorneys for collection of outstanding debt resulting in more revenue recovered than anticipated.	No corrective action required.
Non-Exchange Revenue				
Property rates	(122 808)	-0.9%	The variance is mainly on the following items: 1. Property Rates, due to property valuation adjustments (i.e. supplementary valuations, reviews, objections and appeals) implemented during the reporting period. 2. Income Forgone: Rates: Old Age Pension and Indigent Rebate, due to fewer than planned applications approved to date.	No corrective action required.
Surcharges and Taxes	–	-	-	-

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue				
Fines, penalties and forfeits	520 145	27.3%	The variance is mainly on the following items: 1. Fines - Traffic Fine Accruals and Traffic Fines, due to: a) More fines issued than planned for the year-to-date; and b) Increased fine collections supported by intensified enforcement operations and sustained collection trends. 2. Building Fines, mainly due to: a) Property owners building or making improvements to their property without City approval. The Municipal Planning Tribunal decides on the outcome of each individual case and therefore, it is very difficult to predict revenue. b) The establishment of the Mayor's Problem Building Task team resulted in stricter by-law enforcement and additional buildings being added to the problem building tariff listing.	No corrective action required.
Licence and permits	(2 096)	-4.4%	Immaterial variance.	-
Transfers and subsidies - Operational	(496 229)	-6.8%	The variance mainly on the following items: 1. Grants and Subsidies: National (Conditional), within the following directorates: a) Urban Mobility, due to outstanding invoices to be processed before year-end closure. b) Economic Growth, due to the underspending on the EPWP Installation, Repair & Maintenance project as a result of fewer EPWP positions being filled. In addition, employee absenteeism and resignations during the course of the project further contributed to the under expenditure. c) Future Planning & Resilience as a result of operating projects funded from the Urban Development Finance Grant (UDFG) and the Urban Settlements Development Grant (USDG), where revenue recognised has been delayed and is not aligned to the year-to-date expenditure incurred. d) Spatial Planning & Environment, due to a placeholder project, Edith Stephens Nature Reserve Upgrade, which was created to balance the Neighbourhood Development Partnership grant allocation for the City. On several occasions the City requested National Treasury (NT) to reduce the grant allocation, as no other approved projects met the grant funding criteria. However, no amended Government Gazette was issued to reduce the grant allocation. *Continued on next page.*	1. a), & 4a) i) Outstanding invoices to be processed before year-end closure. d) Unspent grant funding will be returned to National Treasury. 2. a) Outstanding claims will be submitted before 17 July 2026. *Continued on next page.*

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue				
Transfers and subsidies - Operational	*See previous page.*	*See previous page.*	2. Grants and Subsidies: Provincial (Conditional), within the following directorates: a) Community Services & Health, due to outstanding June 2026 claims to be submitted to the Provincial Health Department. b) Human Settlements, due to the following: i) NHBRC Enrolment Fees, due to savings realised. ii) Imizamo Yethu IDA projects due to initial delays with the appointment of a contractor. c) Safety & Security, where staff salary recoveries for LEAP were processed after month end closure, following the finalisation of the staff reconciliation process. The reconciliation process is taking slightly longer to conclude and results in a misalignment between the period budget and actual revenue recognised. 3. Grants and Subsidies: Provincial (Unconditional), due to an outstanding journal. 4. Grants and Subsidies: PCDR (Conditional), mainly within the following directorates: a) Water & Sanitation due to: i) Outstanding invoices on the KfW projects and outstanding training confirmations; as well as ii) The community facilitation project funded by the Bill & Melinda Gates Foundation which has experienced delays. The full grant allocation will not be spent in the 2025/26 financial year. b) Urban Mobility, due to June 2026 invoices that still need to be processed. Additionally, R10 million of the budget was for bridging finance and will not be spent. In addition to the above the revenue recognition for grant expenditure incurred during June 2026 have not been processed.	3. Journal to be processed before 2025/26 financial year-end closure. 4. b) Outstanding invoices to be processed before year-end closure. R10 million will be returned to the grantor. The grant revenue recognition will be processed on 30 July 2026 in alignment with the Annual Financial Statements milestones.
Interest	30 536	30.9%	The variance is due to interest on arrear Property Rates being higher than estimated to date.	No corrective action required.
Operational Revenue	(3 403)	-0.4%	Immaterial variance.	-
Gains on disposal of Assets	37 290	44.3%	The variance is due to more than anticipated registration of properties sold in the current year.	No corrective action required.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue				
Other Gains	(294 057)	-4.7%	The variance is a combination of over/under mainly on the following items: 1. Inventory consumed: Price Adjustment B/Water and R/Water (under), as the entries for period 12 still need to be processed as part of the year-end processes. 2. Net gains on financial instruments at Future Value (over), as a result of the valuation of financial instruments e.g. investments that are not budgeted for but occur occasionally due to market valuation movements. 3. Gain on Foreign Exchange (over), due to the nature of foreign exchange which cannot be predicted as a result of market fluctuations and thus it is difficult to budget for this line item. 4. Fair Value Adjustments - Non-Exchange transactions (under), due to the concessionary adjustment recognised for the off-market portion of the loan received in May 2026. The adjustment can only be calculated once a concessionary loan is received. This resulted in the final calculation being lower than anticipated.	1. Period 12 inventory items will be finalised as part of the year-end processes.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 1 - Community Services & Health	(141 464)	-14.3%	The variance is a combination of over-/under-recovery on the following categories: 1. Sales of Goods and Rendering of Services (over), mainly on: a) Admission/Entrance Fees, due to higher-than-expected demand at Community Facilities. b) Burial Fees, due to increased demand for burial spaces and other burial services. c) Application fees, due to more than expected applications for liquor licences. 2. Rental from Fixed Assets (over), mainly on Rental Fixed assets: Non-market related, due to new lease contracts resulting in additional revenue. 3. Transfers & Subsidies – Operational (under), mainly on a) Grants and Subsidies: Provincial (Conditional), due to outstanding June 2026 claims to be submitted to the Provincial Health Department. b) Grants and Subsidies: Provincial (Unconditional), due to outstanding journal to be processed before 2025/26 financial year-end. 4. Transfers & Subsidies - Capital Monetary (under), due to Project Managers (PMs) currently being engaged in the vetting of invoices and Goods Received Notes (GRNs) to be finalised by 10 July 2026.	Grants and Subsidies: Provincial (Conditional): Outstanding claims will be submitted before 17 July 2026. Complete all outstanding Capital projects funded from USDG before financial year-end.
Vote 2 - Corporate Services	7 551	7.5%	Immaterial variance.	-
Vote 3 - Economic Growth	51 865	13.8%	The variance is a combination of over-/under-recovery on the following categories: 1. Rental from Fixed Assets (over), due to unanticipated revenue generated from new leases. 2. Profit on Sale of Assets (over), due to higher than anticipated registration of properties sold in the current year. 3. Transfers & subsidies - Grants and Subsidies: National (under), due to underspending on the EPWP IRM project as a result of fewer EPWP positions being filled. In addition, employee absenteeism and resignations during the course of the project contributed to the under expenditure.	No corrective action required.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 4 - Energy	523 041	2.2%	The variance is a combination of over-/under-recovery on the following categories: 1. Service Charges - Electricity (over), due to no load-shedding being implemented during the financial year. 2. Interest earned on Arrears - Electricity (under), due to financial year-end adjustments that are still to be processed. 3. Transfers & subsidies - capital monetary: National GGR (under), due to the project being behind schedule, as well as outstanding invoices for work completed.	3. Engagements with the contractor are ongoing regarding project implementation and outstanding invoices. Invoices to be processed before year-end closure and the revenue will follow suit.
Vote 5 - Finance	111 251	0.5%	The variance is a combination of over-/under-recovery against the following categories: 1. Interest earned from Current & Non-Current Assets (over), due to a combination of over-/under-recovery on: a) Interest Received: Short Term and Call fixed deposits (over), due to higher cash and investment balances, and more favourable interest rates offered in the market than anticipated. b) Interest Received - Allocation to Donors (under), due to the reversal of interest earned on funds written back as a result of unspent grant balances. 2. Dividends received (over), due to a dividend received from the CTICC on 29 June 2026. The board of the CTICC declared and paid a final dividend of R298.56 per Class C ordinary share, resulting in a total dividend payment of R3,8 million to the City in respect of its Class C ordinary shareholding. 3. Rental from Fixed Assets (over), due to a timing difference between lease payments received from Western Province Rugby (WPR) and revenue recognition over the lease term. 4. Operational revenue (over), due to a combination of over-/under-recovery, on the following items: a) Administration Fees (under), due to less debit orders returned on unpaid transactions as a result of new strategies put in place to stop unpaid debit orders. b) Administrative Handling Fees Recovered (over), where more administration fees were recovered than initially anticipated. c) Collection Charges Recovered (over), due to an increase in the number of customers being handed over to the attorneys for collection of outstanding debt resulting in more revenue recovered than anticipated. *Continued on next page.*	Transfers and subsidies – Operational: Final transactions for the 2025/26 financial year will be captured before financial year-end closure.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 5 - Finance	*See previous page.*	*See previous page.*	5. Property Rates (under), due to a combination of over-/under-recovery, on the following sub items: a) Property Rates (under), due to property valuation adjustments (i.e. supplementary valuations, reviews, objections and appeals) implemented during the reporting period. b) Income Forgone: Rates: Old Age Pension and Indigent Rebate (under), due to fewer than planned applications approved to date. 6. Transfers and subsidies – Operational (under), mainly on: a) Grants and Subsidies: National (Unconditional), due to the VAT Clawback on various projects funded from USDG, ISUPG and PTNG being less than anticipated. b) Grants and Subsidies: Provincial (Conditional), due to the full grant allocation not being received from the grantor in the 2025/26 financial year. The Provincial Department of Infrastructure did not settle the full invoiced amount, as the grant allocation was still under assessment. The corresponding reduction to the grant allocation was not reflected in the Government Gazette. 7. Interest on Arrear Rates (over), due to arrears on Property Rates being higher than estimated to date. 8. Other Gains (over), a combination of over-/under recovery, mainly on the following items: a) Net gains on financial instruments at Future Value, as a result of the valuation of financial instruments e.g. investments that are not budgeted for but occur occasionally due to market valuation movements. b) Fair Value Adjustments – Non-Exchange transaction (under), due to the concessionary adjustment recognised for the off-market portion of the loan received in May 2026. The adjustment can only be calculated once a concessionary loan is received. This resulted in the final calculation being lower than anticipated. c) Gain on Foreign Exchange, due to the nature of foreign exchange which cannot be predicted as a result of market fluctuations and thus difficult to budget for this line item.	*See previous page.*
Vote 6 - Future Planning & Resilience	(15 627)	-20.9%	The variance is mainly due to under-recovery on Grants and Subsidies: National (Conditional) as a result of operating projects funded from the Urban Development Finance Grant (UDFG) and the Urban Settlements Development Grant (USDG), where revenue recognised has been delayed and is not aligned to the year-to-date expenditure incurred.	The additional revenue will be recognised on 30 July 2026.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 7 - Human Settlements	(252 948)	-13.9%	The variance is a combination of over-/under-recovery on the following categories: 1. Rental from Fixed Assets (over), mainly on the following items: a) Indigent relief, which is demand driven and dependent on the eligibility of applicants, making it difficult to plan accurately monthly. b) Rental Fixed Assets: Non-market Related, due to less than planned saleable units being transferred resulting in an over-recovery on rentals year-to-date. 2. Grants and Subsidies Provincial (Conditional) (under), mainly on the following projects: a) NHBRC Enrolment Fees, due to savings realised. b) Imizamo Yethu IDA projects due to initial delays with the appointment of a contractor. 3. Grants and Subsidies National (Conditional) (under), due to outstanding invoices. 4. Revenue Capital: GGR – National (under), mainly on the following projects: a) Various Informal Settlement Upgrade projects, due to procurement delays and outstanding invoices. b) ACSA Symphony Housing Project Constructions, due to outstanding invoices.	3. & 4. PMs to follow up on outstanding invoices, which will be processed in July 2026 before year-end closure. Budget realignment between projects funded from the same grant.
Vote 8 - Office of the City Manager	(764)	-17.5%	Immaterial variance.	-
Vote 9 - Safety & Security	473 489	19.6%	The variance is a combination of over-/under-recovery on the following categories: 1. Fines, penalties and forfeits (over), due to an over recovery on the following items: a) Fines - Traffic Fine Accruals and Actual Traffic Fines , due to: i) More fines issued than planned during the year-to-date; and ii) Over-recovery of actual collections due to increased fine collections supported by intensified enforcement operations and sustained collection trends. b) Building Fines, as a result of the establishment of the Mayor's Problem Building Task team which has resulted in stricter by-law enforcement and additional buildings being added to the problem building tariff listing. c) Vehicle Impoundment Fees, an increase in traffic operations leading to a higher number of vehicles being impounded. 2. Agency Services (under), due to timing differences in the processing, submission, and reconciliation of claims with the Provincial Department. *Continued on next page.*	The Finance Manager (FM) is monitoring the situation.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 9 - Safety & Security	*See previous page.*	*See previous page.*	3. Interest received from Receivables (over), due to interest accruing on outstanding fines issued to property owners of problem buildings. The over recovery is attributable to the non-payment of these fines, resulting in the continued accrual of interest. 4. Grants and Subsidies Provincial (Conditional) (under), where staff salary recoveries for LEAP were processed after month end closure, following the finalisation of the staff reconciliation process. The reconciliation process is taking slightly longer to conclude and results in a misalignment between the period budget and actual revenue recognised. 5. Revenue Capital (under), due to delays experienced with the Langa Fire Station construction project. The work has been completed. However, the invoice will be processed following the completion of the Project Manager's reconciliation.	*See previous page.*
Vote 10 - Spatial Planning & Environment	41 054	5.5%	The variance is a combination of over-/under-recovery on the following categories: 1. Sales of Goods and Rendering of Services (over), mainly on: a) Admission Fees (over), due to increase in visitors at nature reserves. b) Building Levies/ Scrutiny Fees, Rezoning fees and Departure Fees (over), which is dependent on the construction industry that fluctuates constantly and is difficult to predict. 2. Interest received from Receivables (over), due to interest received on arrears for City improvement Districts (CIDs) additional rates charged. This cannot be predicted and is difficult to budget as the aim is to ensure that CIDs pay on time. 3. Special Rating Levies (over), CIDs budget for a 5-6% overbilling for the year. The current overbilling of R10,9 million represents 2%, which is still within the parameters for the year. 4. Fines and Penalties (over), due to a combination of over-/under-recovery on the following items: a) Building Fines (over), where Property owners build or make improvements to their property without City approval. The Municipal Planning Tribunal decides on the outcome of each individual case and therefore, it is very difficult to predict revenue. b) Forfeits: Contractors Projects (under), where the performance on the Table View Beachfront Upgrade Project is on track and no penalties have therefor been levied. 5. Transfers and subsidies - Operational (under), due to an amount of R17,8 million which was set-aside as a placeholder for NDPG, as National Treasury did not approve the City's use of the funding for the Phillippi Upgrade capital project. Furthermore, NT did not issue an amended Division of Revenue (DoRA) allocation in April 2026 to reduce the grant funding allocation, resulting in an under-recovery against the budgeted grant.	5. Unspent grant funding will be returned to National Treasury.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 11 - Urban Mobility	(884 052)	-25.1%	The variance is a combination of over-/under-recovery against the following categories: 1. Sale of Goods and Rendering of Services (over), due to a combination of over-/under-recovery against the following items: a) Parking Fees (over), due to the implementation of the new parking tender covering additional areas. b) Bus fares -Transit Products (over), due to a higher than anticipated demand for the services. c) Recoveries of Operational Expenditure (under), due to lower than anticipated revenue recovered from 3rd parties in relation to legal fees. 2. Operational Revenue (over), mainly on Development Contribution/Levy & BICL, due to higher than planned revenue on property development, which is difficult to accurately predict. 3. Transfers and subsidies - Operational (under), mainly on: a) Grants and Subsidies: National, due to June 2026 invoices that still need to be processed. b) Grants and Subsidies: Provincial, due to an incorrect grant allocation of R8,2 million by the Provincial Administration of the Western Cape (PAWC) for the Public Safety Transport Grant. This allocation should have been made in the 2026/27 financial year rather than the 2025/26 financial year. c) Grants and Subsidies: PCDR, due to June 2026 invoices that still need to be processed. Additionally, R10 million of the budget is for bridging finance and will not be spent. 4. Other Gains (over), mainly on Gains on Foreign Exchange, due to forex gains on the ORIO grant funds received. 5. Transfers & Subsidies - Capital Monetary (under), mainly on: a) Capital PCDR, due to implementation delays as a result of timing delays, external disruptions, safety challenges, procurement delays, and earlier infrastructure related delays. b) Capital GGR- National, due to delays on the IRT Ph2A: Trunk E4 M9 Morning Star–Mew Way Project due to safety and security concerns.	3. b) & c) Unspent grant funds in respect of bridging finance as well as the incorrect budget allocation will be paid back to the grantor. Outstanding invoices to be processed before year-end closure to ensure optimal grant spending and corresponding increase in revenue.
Vote 12 - Urban Waste Management	(19 838)	-0.7%	The variance is mainly on refuse charges as a result of billing corrections made on the system. The revenue is lower than was initially anticipated.	Final year-end transactions are still in progress.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 13 - Water & Sanitation	(422 655)	-2.4%	The variance is a combination of over-/under-recovery against the following categories: 1. Service Charges - Water (over), as a result of service charges for water sales in the domestic cluster as well as industrial/commercial categories being higher than anticipated. 2. Service charges - Waste Water Management (over), where sanitation sales were higher than anticipated due to high usage during the summer period. 3. Sales of Goods and Rendering of Services (under), mainly on Treatment Effluent - Sales, due to adjustments made on the billing of treated effluent which resulted in previously recorded actuals being reversed. 4. Interest earned from Receivables (over), due to interest earned on outstanding debt being higher than anticipated. 5. Operational Revenue (over), as a result of applications for developments within the City being higher than anticipated. 6. Transfers and subsidies - Operational (under), mainly on Grants and Subsidies: PCDR (Conditional), due to: a) Outstanding invoices on the KfW projects and outstanding training confirmations; and b) The community facilitation project funded by the Bill & Melinda Gates Foundation which has experienced delays. The full grant allocation will not be spent in the 2025/26 financial year. 7. Gains on disposal of Assets (under), mainly on Profit on Sale of Assets, as a result of redundant fleet and other computer related assets being sold at less than anticipated. 8. Other Gains (under), mainly on Inventory consumed: Price Adjustment B/Water and R/Water, due to the overall water consumption for bulk and reticulation customers being lower than budgeted volumes in the inventory system. In addition, period 12 inventory items still need to be processed as part of year-end processes. 9. Transfers & Subsidies - Capital Monetary (under), due to outstanding invoices and pending reposting to be affected as part of year-end processes.	6. Unspent grant funding will be rolled over to the next financial year. Final year-end transactions are still in progress.

Material variance explanations for operating expenditure by vote and by type

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 1 - Community Services & Health	(260 859)	-5.3%	The variance is a combination of over-/under expenditure and reflects mainly against the following categories: 1. Employee related costs (under), mainly on: a) Salaries and Wages, Pension Scheme Employer Contribution and Medical Aid Employer Contributions, due to the number of vacancies within the Directorate. b) Wages: Mayor's Job Creation Project, due to the final MJCP payroll run to be done in July 2026. c) Non-Structured Overtime, due to less than anticipated overtime worked. d) Leave Pay, due to lower-than-expected encashment of leave payments during the financial year. e) Long Service Award, due to lower-than-expected payment of long service awards to qualifying staff members. 2. Inventory consumed (under), mainly on: a) Materials Consumables Tools & Equipment, due to savings realised with the implementation of MJCP and Departmental Programmes. b) Pharmaceutical Supplies, as a result to lower-than-expected demand and lower than budgeted unit prices. c) Printing Stationery & Photographic, due to lower-than-expected demand. d) G&D Pharmaceutical Supplies and G&D Vaccines, due to final accounts still in the process of being finalised. 3. Contracted Services (over), a combination of over-/under expenditure, mainly on: a) Advisory Services - Project Management (under), due to lower-than-expected payments to PSPs as a result of outstanding invoices. b) G&D Lab Services – Medical, Recreation, Sport, Tourism & Social Development, Security Services: Municipal Facilities (under), due to final accounts still in the process of being finalised. c) Building Contractors (under), due to lower demand than anticipated, as well as savings that were ring-fenced during the financial year to supplement the R&M: Contracted Services Buildings budget. d) Gardening Service, Cleaning Costs, and R&M Clearing & Grass Cutting Services (over), due to higher than expected demand for in-house services at Community Facilities. *Continued on next page.*	The Directorate has 468 vacancies in various stages of the Recruitment & Selection (R&S) process; 2180 posts were filled while 879 terminations were processed since the beginning of the financial year. Budget realignments and top-up virements to be processed where necessary by no later than 21 July 2026. Process outstanding Grant-in-Aid payments before financial year-end. Complete financial year-end processes.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote Vote 1 - Community Services & Health	*See previous page.*	*See previous page.*	e) R&M Contracted Services Building Services (over), due to additional R&M work caried out at various community facilities in line with approved pro-active maintenance plan. f) R&M Gardening Service, R&M Maintenance of Equipment, and R&M Plants Greenery & Vegetation (under), due to outstanding settlement of Plant Maintenance (PM) orders, as well as lower than expected demand for services. g) Medical Health Services & Support and Medical Staff (under), due to cost savings within City Health and improved management of Labour Brokers. 4. Transfers and subsidies (under), mainly on Grants-in-Aid: GIA Policy (Sec 67), due to outstanding payments to Open Call beneficiaries and are currently being processed. 5. Operational Costs (under), a combination of over-/under expenditure, mainly on: a) Labour to Operating (over), due to additional pro-active maintenance performed to date in line with approved pro-active maintenance plan. b) Electricity and G&D Electricity (under), due to lower-than-expected demand for the services. c) Uniform & Protective Clothing (under), due to lower-than-expected spending linked to the implementation of MJCP and Operating Ward Allocation Projects.	*See previous page.*
Vote 2 - Corporate Services	(2 801)	-0.1%	Immaterial variance.	The Directorate has 183 vacancies in various stages of the R&S process; 534 positions were filled while 124 positions were terminated since the beginning of the financial year.
Vote 3 - Economic Growth	(37 027)	-4.7%	The variance is mainly on the following categories: 1. Employee related costs, mainly on: a) Basic Salaries and Wages and Pension, due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. b) G&D Wages: MJCP, due to underspending on the EPWP Installation, Repair & Maintenance project as a result of fewer EPWP positions being filled. In addition, employee absenteeism and resignations during the course of the project contributed to the under expenditure. 2. Contracted Services, mainly on: a) Advisory Services - Project Management, due to the cancellation of projects relating to enterprise and supplier development and area economic development programmes. b) R&M Contracted Services Building, due to outstanding minor defect lists and PMs finalising the verification of final invoices.	The Directorate has 37 vacancies in various stages of the R&S process; 122 positions were filled while 15 terminations were processed since the beginning of the financial year.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 4 - Energy	(291 086)	-1.4%	The variance is mainly on the following categories: 1. Employee related costs, mainly on: a) Basic Salaries and Wages and Pension, due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. b) Contribution to provision: Post Retirement Medical Aid, where the year-end journal must still be processed. c) Non Structured Overtime, due to the implementation of overtime restrictions as well as no load-shedding, which has in turn led to a reduction in theft and vandalism of electrical infrastructure and consequently a reduction in faults. 2. Bulk Purchases (over), a combination of over-/under expenditure mainly on: a) Bulk Purchases – Electricity (over), due to Eskom structural changes made to bulk purchases. b) Bulk Purchases - Electricity Generation (under), due to the fluctuating generation feed-in by Small Scale Embedded Generation customers which is dependent on weather conditions. 3. Inventory Consumed, mainly on: a) R&M Materials, General & Consumables, due to no load-shedding experienced which has in turn led to a reduction in theft and vandalism of electrical infrastructure and consequently a reduction in faults. b) Fuel Oil, Gas & Coal, due to a strategic requirement in anticipation of load-shedding, which did not occur during the financial year. 4. Contracted Services, mainly on: a) Advisory Services - Research & Advisory, due to delays in the procurement of various services in respect of the Mayoral Priority Programme. b) R&M Electrical as well as Security Services: Municipal Facilities, due to no load-shedding which has in turn led to a reduction in theft and vandalism of electrical infrastructure and consequently a reduction in faults and security requirements. c) R&M Maintenance of Equipment, due to the replacement of vehicles which resulted in less maintenance being required. d) R&M Contracted Services Buildings, due to lesser building maintenance requirements for the period under review. e) Professional Services - Engineering: Electrical, due to less than anticipated electrical engineering services incurred year-to-date. 5. Operational Costs, mainly on: a) Electricity, due to the late receipt of invoices for services rendered in June 2026. b) Commission - Pre-paid electricity Vendor, due to the increased usage by other directorates of Energy's prepaid electricity vending system for debt recovery resulting in less expenditure being incurred by the directorate. 6. Depreciation, due to the capitalisation of projects being behind schedule.	The Directorate has 304 vacancies in various stages of the R&S process; 515 positions were filled while 124 were terminated since the beginning of the financial year. Budget realignments and top-up virements to be processed where necessary by no later than 21 July 2026. Final year-end transactions are still in progress.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 5 - Finance	(327 033)	-7.5%	The variance is a combination of over-/under expenditure and reflects mainly on: 1. Employee related costs (under), a combination of over-/under expenditure, mainly on: a) Salaries and Wages and Pension Scheme Employer Contribution (under), due to the turnaround time in filling vacancies. b) Non-Structured Overtime (under), due to less overtime worked than anticipated. c) Leave Pay (under), due to less leave encashment than anticipated. d) Long Service Award (under), due to lower than expected payment of long service awards to qualifying staff members. e) Contribution to Provision: Continued Membership (over), due to post-retirement medical aid benefit being more than anticipated. f) Contribution to Provision: Post Retirement (under), where the provision will only be made at year-end after the actuarial valuations have been received. 2. Interest - External (under), due to the delayed drawdown of loans as informed by the City's financing strategy, which resulted in savings on external interest payable. 3. Contracted services (under), a combination of over-/under expenditure, mainly on: a) Advisory Services - Accountants and Auditors (under), due to lower-than-expected payments to PSPs. b) Collection Fees (over), due to higher than anticipated accounts being handed over to the lawyers. 4. Transfers and subsidies (under), mainly on Grants - Cape Town Stadium, due to transfers being lower than initially planned, as the Entity generated sufficient revenue to fund its operational expenditure. *Continued on next page.*	The Directorate has 94 vacancies in various stages of the R&S process; 284 positions were filled while 87 positions were terminated since the beginning of the financial year. Budget realignments and top-up virements to be processed where necessary by no later than 21 July 2026. Final year-end transactions are still in progress.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 5 - Finance	*See previous page.*	*See previous page.*	5. Operational Cost (under), mainly on: a) Commission, due to less commission paid to 3rd parties than anticipated. b) Advertising - Corporate and Municipal Account, due to outstanding invoices for the Final adopted Budget Advert. c) Recoveries: Claim Medical Expenses, showing negative actuals as a result of claims on medical expenses recovered. d) Premiums : Unicity Insurance Program, due to insurance claims which are unpredictable in nature and have resulted in the year-to-date budget not aligning to the actuals to date. e) Indigent Relief: Electricity - Eskom, due to less indigent applications than originally anticipated as a result of fewer ratepayers meeting the indigent criteria as per the Indigent Policy requirements. 6. Other Losses (over), mainly on: a) Scrapping of Stock, due to stock obsolescence linked to the Covid 19 pandemic (Surgical Equipment and Antiseptic liquid). b) Net losses on financial instruments at Future Value, as a result of the valuation of financial instruments e.g. investments that are not budgeted for but do occur from time to time due to market valuation movement. c) Fair Value Adjustments, due to fair value adjustment arising from weak yields offered by government bonds as a result of the bond market reaction to geopolitical volatility.	*See previous page.*
Vote 6 - Future Planning & Resilience	(21 597)	-3.5%	The variance reflects mainly on the following items: 1. Employee related costs, due to the turnaround time of filling vacancies within the Directorate. 2. Advisory Services - Research and Advisory and Graphic Designers due to delays in receiving invoices. 3. Advertising - Gifts and Promotional Item, due to lower-than-anticipated demand for gifts, promotional items, and corporate merchandise and subject to recovery of cost during the reporting period. 4. Travel and subsistence, due to a reduction in domestic and foreign travel undertaken, as well as the implementation of cost-containment measures across various departments within the Directorate.	The Directorate has 24 vacancies in various stages of the R&S process; 57 positions were filled while 13 positions were terminated since the beginning of the financial year. Final outstanding invoices to be processed before 10 July 2026.
Vote 7 - Human Settlements	(10 034)	-0.6%	Immaterial variance.	The Directorate has 118 vacancies in various stages of the R&S process; 648 positions were filled while 47 positions were terminated since the beginning of the financial year.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 8 - Office of the City Manager	(16 671)	-3.0%	The variance reflects mainly on the following items: 1. Employee related costs, due to the turnaround time of filling of vacancies within the Directorate. 2. Legal Cost - Legal Advice and Litigation, due to lower-than-anticipated legal expenditure incurred year-to-date as a result of the timing of legal proceedings, consultations, and invoicing by external legal service providers. 3. Travel and subsistence, due to a reduction in domestic and foreign travel undertaken, as well as the implementation of cost-containment measures across various departments within the Directorate.	The Directorate has 16 vacancies in various stages of the R&S process; 54 positions were filled while 17 positions were terminated since the beginning of the financial year. Budget realignments to be processed.
Vote 9 - Safety & Security	(495 229)	-7.4%	The variance is a combination of over-/under expenditure against the following categories: 1. Employee related costs (under), due to vacant funded positions, delayed filling of posts and delays with the approval of the One Policing optimisation Project. 2. Contracted Services (under), due to less than planned expenditure on various items including: a) Advisory services Research as a result of lower than anticipated utilisation of research and advisory services during the year-to-date. This is due to lower than anticipated utilisation of this service, resulting in expenditure remaining below the budgeted provision. b) Legal Costs due to lower than anticipated requirements for legal costs c) Security Services Other, as a result of drone invoices that must still be processed for period 12. 3. Inventory (under), mainly on: a) Material Consumables Tools & Equipment, due to lower than anticipated expenditure incurred. b) Printing, Stationery & Photographic due to less stationery utilised and lower external cost of reproduction/printing than anticipated; and c) G&D Fuel (Petrol, Diesel & Fuel Oil), due to decreased operational requirements , which resulted in lower fuel consumption and expenditure than originally budgeted. 4. Transfers & Subsidies (under), due to outstanding payments that are still to be processed, as well as service providers invoicing amounts lower than originally quoted. A potential underspending of approximately R5 million is anticipated, partly due to the following: a) The Stormers rugby team not securing a home final. b) The cancellation of planned events due to inclement weather, including the ABSA Run Your City event and a scheduled soccer tournament. *Continued on next page.*	The Directorate has 961 vacancies in various stages of the R&S process; 1696 positions were filled while 443 were terminated since the beginning of the financial year. The FM is monitoring the situation.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 9 - Safety & Security	*See previous page.*	*See previous page.*	5. Operational Cost (under), mainly on: a) Uniforms and Protective Clothing, due to the unavailability of the uniform tender. Uniforms could not be ordered as per requirements and issuing of uniforms were limited to essential items. b) Software Licenses - Upgrade/Protection, due to the lower than anticipated utilisation of specialised IT services as a result of ongoing construction at various locations. c) Commission Revenue Sharing due to lower than anticipated commission payable than originally planned.	*See previous page.*
Vote 10 - Spatial Planning & Environment	(122 292)	-6.1%	The variance is mainly on: 1. Employee related costs (under), due to the on-going filling of vacancies. 2. Inventory Consumed (under), mainly on Materials Consumables Tools & Equipment as a result of procurement delays within the Environmental Development Space. 3. Contracted Services (under), mainly on: a) G&D Contracted Services Building due to a placeholder project, Edith Stephens Nature Reserve Upgrade, which was created to balance the Neighbourhood Development Partnership grant allocation for the City. On several occasions the City requested National Treasury (NT) to reduce the grant allocation, as no other approved projects met the grant funding criteria. However, no amended Government Gazette was issued to reduce the grant allocation. b) Advisory Services - Research & Advisory as well as Sludge Removal, due to delays in the Milnerton Lagoon tender. Approval to utilise the available funding for alternative projects was only obtained in March 2026, resulting in delayed project implementation. c) Administrative and Support Staff, due to delays in the appointment of administrative support resources and lower utilisation of contracted support services than initially anticipated. 4. Operational cost (under), mainly on: a) MIDS/CIDS, due to less service charges paid to CIDS subsidiaries than initially anticipated; and b) Software licenses (under), due to fewer software licences required than initially anticipated.	The Directorate has 140 vacancies in various stages of the R&S process; 666 positions were filled while 57 were terminated since the beginning of the financial year. Budget re-alignments to be processed by 21 July 2026. The FM is monitoring the situation. 3. a) Unspent Neighbourhood Development Partnership Grant funding will be returned to NT.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 11 - Urban Mobility	(127 946)	-2.6%	The variance reflects against the following categories: 1. Employee related costs (under), mainly on: a) Salaries and Wages and Pension Scheme Employer contribution, due to recent vacancies of which the majority are less than 6 months. b) Overtime, due to less overtime required during this period. c) Long service awards, due to lower than expected payment of long service awards to qualifying staff members. 2. Contracted Services (under), mainly on: a) G&D Transportation Services: People, due to invoice discrepancies identified and incorrect period split of additional funding received. b) R&M Contracted Services: Building, due to delays in the implementation of various projects within Road Infrastructure Management (RIM) as a result of a moratorium that is in place for key service providers. c) Transportation Services: People, due to the reallocation of expenditure for the Public Transport interchanges in line with the directive to prioritise Grant Funding. d) R&M Maintenance of Equipment and G&D Advisory Services - Project Management, due to invoices that are pending the completion of the GRN process. 3. Depreciation (under), due to the capitalisation of projects being behind schedule. 4. Inventory Consumed (under), mainly on: a) G&D Fuel, due to the Public Transport Safety Grant received from Provincial Government of the Western Cape (PGWC) which was allocated in the incorrect financial year and will be returned to PGWC. b) R&M General & Consumables, due to delays in the implementation of various projects within RIM as a result of a moratorium in place. 5. Operational costs (under), mainly on: a) G&D Insurance: Non GIF, due to delays in receiving the insurer’s final assessment relating to the Burner Fee; and b) G&D Hire of LDV, Panel Van, Bus and Specialised Vehicles, as the Public Transport Safety Grant received from the Provincial Government of the Western Cape (PGWC), will not be utilised in the 2025/26 financial year.	The Directorate has 192 vacancies in various stages of the R&S process; 357 posts were filled while 122 terminations were processed since the beginning of the financial year. The Directorate is prioritising the filling of vacancies. 2. d) Invoices to be GRN'd before year-end closure. 4. a) & b) The incorrect budget allocation for the Public Transport Safety Grant will not be spent and will be returned to the grantor.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 12 - Urban Waste Management	(74 725)	-1.9%	The variance is a combination of over-/under expenditure against the following categories: 1. Employee related costs (under), a combination of over-/under-expenditure on: a) Salaries & Wages and Pension Scheme Employer Contribution (under), due to the turnaround time to fill vacancies. b) Contribution to Provision: Post-Retirement Medical Aid (under), where final transactions for the year are still to be processed. c) Non Structured Overtime (over), a result of unforeseen vehicle breakdowns, the overtime work performed was higher than anticipated. 2. Inventory consumed (under), a combination of over-/under-expenditure on: a) Fuel (Petrol, Diesel and Fuel Oil) (over), due to increased overtime, the amount spent on fuel was higher than anticipated. b) Materials Consumables Tools & Equipment (under), the number of refuse bags required for the Sandy Area tender was lower than anticipated. 3. Contracted Services (under), a combination of over-/under-expenditure on: a) Advisory Services - Project Management (under), due to the amount of work required to finalise the concept designs linked to future capital projects being lower than initially anticipated. b) Haulage (under), due to final invoices that still need to be paid. c) Relief Drivers (under), where staff required during the festive season programme were lower than anticipated. d) Litter Picking and Street Cleaning (over), as a result of the festive season, the amount of waste being disposed of in informal settlements were higher than initially anticipated, which is consumption driven. e) Refuse Removal (under), as a result of the delay in appointment of the new contractor within the deep south area, year-to-date savings have been realised. f) R&M Contracted Services Building (over), due to unforeseen building maintenance. 4. Operational Costs (under), a combination of over-/under-expenditure on: a) Hire of LDV, P/Van, Bus, Special Vehicle (over), as a result of increased activities during the festive season programme the number of vehicles hired were higher than anticipated. b) Uniform & Protective Clothing (under), due to less protective clothing item replacements. 5. Loss on disposal of Assets (over), due to several vehicle hijackings resulting in the damaged vehicles being sold at a loss. 6. Interest (under), due to interest costs unwinding of discounts where the final transactions for the year are still to be processed.	The Directorate has 396 vacancies in various stages of the R&S process; 2930 positions were filled while 166 terminations were processed since the beginning of the financial year. Budget provisions to be reviewed and virements to be processed. Final year-end transactions are still in progress.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 13 - Water & Sanitation	(634 336)	-4.3%	The variance is a combination of over-/under- expenditure against the following categories: 1. Employee related costs (under), mainly on: a) Salaries & Wages and Pension Scheme Employer Contribution, due to a number of vacant positions within the Directorate. The moratorium is being lifted incrementally to align the filling processes with available R&S capacity. b) Contribution to Provision: Post-Retirement Medical Aid, where final transactions for the year are still to be processed. c) Non-Structured Overtime, due to overtime incurred in June 2026 only being processed in the subsequent month. d) Wages: Mayor's Job Creation Project, due to initial delays in the EPWP randomisation process and project initiation document (PID) approvals, which had a concomitant effect on a number of appointments. 2. Inventory Consumed (under), mainly on Inventory consumed: Reticulation Water, as a result of the period 12 inventory items still needing to be processed as part of year-end processes. 3. Depreciation & amortisation (over), where the capitalisation rate and reviewed useful life of assets resulted in misalignment of the budget with actual depreciation charges to date. 4. Contracted Services (under), mainly on: a) Advisory Services – Research & Advisory, Professional Services - Engineering: Civil, R&M Contracted Services: Building and Sewerage Services, due to invoices that are pending and expected to be processed as part of year-end processes. b) G&D Advisory Services – Research & Advisory, due to delays in the implementation of the following projects: i) Outstanding invoices on the KfW projects and outstanding training confirmations. ii) The community facilitation project funded by the Bill & Melinda Gates Foundation which has experienced delays. The full grant allocation will not be spent in the 2025/26 financial year. c) R&M Electrical, due to lower-than-expected electrical maintenance and plant repair costs. d) R&M Alien Vegetation Control, due to a decrease in reactive requests and complaints relating to alien vegetation. *Continued on next page.*	The Directorate has 714 vacancies in various stages of the R&S process; 1130 posts were filled while 165 terminations were processed since the beginning of the financial year. 4. b) The projects will be closely monitored, invoices followed up and budget realignments will be implemented. Unspent grant funding will be rolled over to the next financial year. Budget provisions to be reviewed and virements to be processed. Final year-end transactions are still in progress, and outstanding invoices are being followed up.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 13 - Water & Sanitation	*See previous page.*	*See previous page.*	5. Transfers and Subsidies (under), mainly on Grants/Sponsorships (Sec 67), due to delays experienced as a result of wildfires in operational areas. 6. Operational Cost (under), mainly on: a) Hire Charges, due to outstanding invoices still to be processed. b) R&M Hire Charges, due to Atlantis Aquifer's pump hire no longer being required. c) R&M Hire of LDV, Panel Van, Bus, Specialised Vehicles, due to lower than anticipated hiring of fleet for pond cleaning. d) Electricity, as a result of fluctuation of electricity usage at some of the Bulk Water plants. e) Bulk Water: Levy (Berg Water Project), as a result of a decreased tariff as the project nears completion of the contract date. f) Water Research Levy and Water Resource Management Charge DWS, due to outstanding invoices from the National department of Water and Sanitation. g) R&M Service Connections, due to a reduction in the number of "no water" complaints received. In addition, there is a reduction in meters issued to contractors and internal teams. 7. Other Losses (under), mainly on Inventory consumed: Real: Leakage R/Water and B/Water, due to period 12 inventory items that will be processed as part of the year-end processes.	*See previous page.*

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Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure By Type				
Employee related costs	(1 211 990)	-5.8%	The variance is mainly due to: 1. The turnaround time in filling vacancies. 2. The internal filling of vacancies. 3. Delays, employee absenteeism and resignations within the EPWP projects. In addition, the final EPWP payroll processing will be done in July 2026.	The City had 3647 vacancies as at 30 June 2026; 11 173 positions were filled (3847 internal, 1453 external, 1219 rehire, 4654 EPWP) with 2259 terminations processed since the beginning of the financial year. The filling of vacancies is on-going, and seasonal staff are appointed as and when required.
Remuneration of councillors	(4 243)	-2.1%	Immaterial variance.	-
Bulk purchases - electricity	45 475	0.3%	The variance is combination of over-/under-recovery against the following categories: a) Bulk Purchases – Electricity (over), due to Eskom structural changes made to bulk purchases. b) Bulk Purchases - Electricity Generation (under), due to the fluctuating generation feed-in by Small Scale Embedded Generation customers which is dependent on weather conditions.	No remedial action required.
Inventory consumed	(400 161)	-5.2%	The variance is mainly on: 1. Fuel Oil, Gas & Coal, due to a strategic requirement in anticipation of load-shedding, which did not occur during the financial year. 2. Materials Consumables Tools & Equipment, the number of refuse bags required for the Sandy Area tender was lower than anticipated. 3. G&D Pharmaceutical Supplies and G&D Vaccines, due to final accounts still in the process of being finalised. 4. Inventory consumed: Reticulation Water, as a result of the water consumption by reticulation customers being lower than the budgeted volumes in the inventory system. In addition, period 12 inventory items still need to be processed as part of year-end processes. 5. R&M Mat General & Consumables, mainly due to no load-shedding experienced which has in turn led to a reduction in theft and vandalism of electrical infrastructure and consequently a reduction in faults. 6. Printing, Stationery & Photographic, due to less stationery used and lower external cost of reproduction/printing than anticipated.	Final year-end transactions are still in progress. Budget re-alignments to be processed as required.

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Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure By Type				
Debt impairment	(440 193)	-13.8%	The National Treasury's reporting requirements as part of the Municipal Regulations on a Standard Chart of Accounts requires that municipalities disclose debt impairment as well as irrecoverable debt written off in the statement of financial performance. While budgeted debt impairment represents a contribution to the provision for debt impairment, the budgeted appropriation is calculated by taking the difference of budgeted actual collections against budgeted accrued revenue. As per the accounting policy of the City, in most instances bad debt is only written off post the financial year in which the contribution to the provision is made against the balance sheet and not the operating statement of financial performance. The two items namely, debt impairment and irrecoverable debt written off must not be seen in isolation. When combined the variance equates to 0.30% (R10 million over expenditure).	Final year-end transactions are still in progress.
Depreciation and amortisation	(62 765)	-1.6%	The variance is mainly due to: 1. Slower than planned capitalisation rate of various projects. 2. Misalignment between actuals and period budget projections on the impairment of assets. 3. Assets being written off during the course of the financial year.	Final year-end transactions are still in progress.
Interest	(88 436)	-8.3%	The variance is mainly attributable to the delayed drawdown of loans as informed by the City's financing strategy, which resulted in savings on external interest payable.	No immediate corrective action required.

Table continues on next page.

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure By Type				
Contracted services	(294 296)	-2.6%	The variance is a combination of over-/under-expenditure against the following categories: 1. Advisory Services - Project Management (under), due to queries raised on Professional Service Providers (PSP) invoices for several facilities projects, which must be resolved before payments can be finalised. In addition, a number of invoices are outstanding. 2. Advisory Services - Research & Advisory and Sludge Removal (under), due to delays in the Milnerton Lagoon tender. Approval to use the available funding for alternative projects was only obtained in March 2026, resulting in delayed project implementation. In addition, invoices are pending and expected to be processed as part of year-end processes. 3. Professional Services - Engineering: Civil, Building Contractors, R&M Contracted Services: Building and Sewerage Services (under), due to invoices that are pending and expected to be processed as part of year-end processes. 4. R&M Electrical (under), due to no load-shedding which has in turn led to a reduction in theft and vandalism of electrical infrastructure and consequently a reduction in faults and security requirements. 5. R&M Gardening Service & R&M Maintenance of Equipment (under), due to outstanding settlement of Plant Maintenance (PM) orders, as well as lower than expected demand for services. 6. Transportation Services: People (under), due to the reallocation of expenditure for the Public Transport interchanges in line with the directive to prioritise Grant Funding. 7. G&D Lab Services – Medical and Security Services: Municipal Facilities (under), due to final accounts still in the process of being finalised. 8. Litter Picking and Street Cleaning (over), as a result of the festive season, the amount of waste being disposed of in informal settlements were higher than initially anticipated, which is consumption driven. 9. G&D Transportation Services: People (under), due to invoice discrepancies identified and incorrect period split of additional funding received. 10. Professional Services - Engineering: Electrical (under), due to less than anticipated electrical engineering services incurred year-to-date. 11. G&D Advisory Services – Research & Advisory (under), due to delays in the implementation of the following projects: a) Outstanding invoices on the KfW projects and outstanding training confirmations. b) The community facilitation project funded by the Bill & Melinda Gates Foundation which has experienced delays. The full grant allocation will not be spent in the 2025/26 financial year. 12. G&D Contractors Service Building (under), due to delays with the appointment of contractors for the Imizamo Yethu Project.	Budget realignment to reprioritise savings will be done as part of year-end processes. Outstanding invoices to be processed before year-end closure.

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Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure By Type				
Transfers and subsidies	(47 461)	-12.5%	The variance is mainly on: 1. Grants/Sponsorships (Sec 67), due to delays experienced as a result of wildfires in operational areas. 2. Sponsorships - Events (Sec 67), due to outstanding payments that are still to be processed, as well as service providers invoicing amounts lower than originally quoted. A potential underspending of approximately R5 million is anticipated, partly attributed to the following: a) The Stormers rugby team not securing a home final. b) The cancellation of planned events due to inclement weather, including the ABSA Run Your City event and a scheduled soccer tournament. 3. Grants - Cape Town Stadium, due to transfers being lower than initially planned, as the Entity generated sufficient revenue to fund its operational expenditure.	2. Outstanding invoices to be processed before year-end closure.
Irrecoverable debts written off	450 189	226.7%	The National Treasury's reporting requirements as part of the Municipal Regulations on a Standard Chart of Accounts requires that municipalities disclose debt impairment as well as irrecoverable debt written off in the statement of financial performance. While budgeted debt impairment represents a contribution to the provision for debt impairment, the budgeted appropriation is calculated by taking the difference of budgeted actual collections against budgeted accrued revenue. As per the accounting policy of the City, in most instances bad debt is only written off post the financial year in which the contribution to the provision is made against the balance sheet and not the operating statement of financial performance. The two items namely, debt impairment and irrecoverable debt written off must not be seen in isolation. When combined the variance equates to 0.30% (R10 million over expenditure).	Final year-end transactions are still in progress.

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Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure By Type				
Operational costs	(329 864)	-8.5%	The variance is mainly against the following categories: 1. R&M Hire of LDV, Panel Van, Bus, Specialised Vehicles, due to lower than anticipated hiring of fleet for pond cleaning. 2. Uniforms and Protective Clothing, due to the unavailability of the uniform tender. Uniforms could not be ordered as per requirements and issuing of uniforms were limited to essential items. 3. Software Licenses - Upgrade/Protection, due to: a) The lower than anticipated utilisation of specialised IT services as a result of ongoing construction at various locations. b) The favourable dollar/rand rate of exchange resulting in the cost of certain software being lower than anticipated. 4. Specialised Information Technology services, due to outstanding invoices for various IT projects. Expenditure to increase once invoices are received, vetted and processed for payment. 5. Electricity, as a result of fluctuation of electricity usage at some of the Bulk Water plants. 6. Water Resource Management Charge DWS, due to outstanding invoices from the National department of Water and Sanitation.	Budget realignment to reprioritise savings will be done as part of year-end processes. Outstanding invoices to be processed before year-end closure.
Losses on Disposal of Assets	15 019	419.8%	The variance is due to several vehicle hijackings resulting in the damaged vehicles being sold at a loss.	No corrective action required.
Other Losses	(52 909)	-11.0%	The variance reflects mainly against the following categories: 1. Inventory consumed: Real: Leakage R/Water and B/Water, due to period 12 inventory items that will be processed as part of the year-end processes. 2. Fair Value Adjustments, due to fair value adjustment arising from weak yields offered by government bonds as a result of the bond market reaction to geopolitical volatility.	Final year-end transactions are still in progress.

Material variance explanations for capital expenditure by vote

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 1 - Community Services & Health	(35 979)	-10.7%	The negative variance is mainly attributable to the following projects/programmes: 1. Cemetery Upgrade FY26, where the contractor is addressing quality snags and the final invoice is outstanding. 2. Swimming Pool Upgrade FY26, where works are ongoing to finalise activities to ensure that swimming pools are open for the season. However, the invoices were received after month-end. 3. Upgrade Maitland Crematorium, where the project experienced initial delays as the works package documentation was finalised later than anticipated and the final invoices are outstanding. 4. Tafelsig Clinic Extensions and Upgrade, where implementation was delayed due to revision of the contractor's costing framework. This matter has since been resolved, and the final invoice is outstanding. 5. Kensington Homeless Accommodation Extension, which was initially delayed due to the approval of building plans and the final invoice is outstanding. 6. Recreation & Parks Upgrade FY26, where the contractor is finalising the scope of work, site inspections to be conducted and snags addressed. The final invoice is outstanding. 7. Upgrade Princessvlei, where the contractor's progress did not align with the programme deliverables due to capacity constraints. The project reached practical completion in June 2026, however, the final invoices were received after month-end. 8. Mnandi Beach Upgrade, where the project has been negatively impacted by the termination of the vendor. The revised practical completion date for this project is July 2026.	Project managers (PMs), together with the support of finance manager/heads, will: a) Verify invoices and ensure Goods Received Notes (GRNs) are processed by 10 July 2026. b) Roll over unspent committed funds in the August 2026 adjustments budget.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 2 - Corporate Services	(44 508)	-6.0%	The negative variance is mainly attributable to the following projects/programmes: 1. Finance and Operational Core Software Project, where expenditure is lower than anticipated due to the outstanding June 2026 invoice from the service provider, as well as credit reversals relating to prior financial years. 2. The Bellville Fleet Facility Upgrade Project, where project implementation has progressed slower than planned due to delays in the commencement of the electrical, mechanical, and wet services work packages. 3. Metro Area Network: Replacement FY26 Project, where expenditure is behind schedule due to the supplier’s inability to deliver equipment timeously.	a) PMs are following up on outstanding invoices. b) The balance of unspent commitments and funds will be rolled over in the August 2026 adjustments budget, where applicable.
Vote 3 - Economic Growth	(45 863)	-33.2%	The negative variance reflects on the following projects/programmes: 1. Construction: Trading Structures, Gatesville, where the project is experiencing delays due to the unexpected discovery of underground services. Commencement of electrical tracing work is pending wayleave approval. 2. Professional Service Providers (PSPs) deliverables have been delayed due to consultancy-related constraints affecting the following projects/programmes: a) Upgrade: 4th Ave Market, Mitchells Plain; b) Informal Trading Infrastructure Upgrade (South) FY26; and c) Construction: Trading Infrastructure, Vuyani Public Transport Interchange (PTI).	The unspent funds will be rolled over in the August 2026 adjustments budget.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 4 - Energy	(82 404)	-6.1%	The negative variance is mainly attributable to delays in equipment deliveries, installation activities remaining on hold pending resolution of the Performance Guarantee matter, outstanding GRNs for completed work, as well as lower-than-anticipated applications for new and upgraded electricity supplies and fewer meter replacements completed across the following projects/programmes: 1. Ground Mounted Photo Voltaic; 2. Solar Rooftop PV (Photo Voltaic) Installations; 3. Small Scale Embedded Generation Programme; 4. Battery Energy Storage Systems; 5. System Equipment Replacement; 6. Facilities Alterations & Upgrading FY26; and 7. Prepayment Meter Replacement.	a) PMs are following up on outstanding invoices, which will be vetted and processed by 10 July 2026. b) The balance of unspent funds will be rolled over in the August 2026 adjustments budget.
Vote 5 - Finance	(4 810)	-3.8%	Immaterial variance.	-
Vote 6 - Future Planning & Resilience	(983)	-4.5%	The negative variance is due to delays in the finalisation of specifications for the following programmes: 1. Integration and Enhancement of Programme and Portfolio Management; and 2. Contract Management Maturity Model.	The balance of unspent funds will be rolled over in the August 2026 adjustments budget.
Vote 7 - Human Settlements	(77 709)	-5.4%	The negative variance is predominantly attributable to the delayed start of some projects, outstanding invoices for the period. Further delays were experienced in the finalisation of the 188Q/2022/23 procurement process relating to Informal Settlements projects.	a) PMs are following up on outstanding invoices, which will be vetted and processed by 10 July 2026. b) The balance of unspent funds will be rolled over in the August 2026 adjustments budget.
Vote 8 - Office of the City Manager	(302)	-1.6%	Immaterial variance.	-
Vote 9 - Safety & Security	(4 123)	-1.0%	Immaterial variance.	-

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 10 - Spatial Planning & Environment	(51 139)	-11.1%	The negative variance reflects mainly on the following projects/programmes: 1. Outstanding invoices for work completed in June 2026 on the following projects: a) Bracken Visitor Environmental Educational Centre (EEC) Refurbishment; b) Upgrade of Reserve Infrastructure; c) Philippi Fresh Produce Market Refurbishment; d) Cape Town Central Business District Public Realm Enhancement; e) District 6 Public Realm Upgrade; f) E-Systems enhancements ARC Geographic Information System (GIS) upgrade; and g) Sea Point Seawall refurbishment. 2. Strand Sea Wall Upgrade, where the project is delayed due to time required to address necessary changes arising from unforeseen conditions of existing underground infrastructure, and foundations of existing old structures not being the same as reflected in the drawings. 3. Muizenberg Beach Front Upgrade, where the project is behind schedule due to a shortage of materials required by the contractor. 4. Bonteheuwel Ablutions Upgrade, where the project is behind schedule following the initial contractor's rejection of the work package due to capacity constraints. 5. Kuyasa Multi-Purpose Centre (MPC) Alterations & Additions, where an alternative transversal tender approval was required, and as a result of the time constraints, there was insufficient time to complete the planned construction work. 6. Harmony Flats Environmental Education Centre Refurbishment, where the project is behind schedule following the termination of the contract due to the contractor's poor performance. 7. Zandvlei Visitor Education Centre, where the project has been cancelled in the 2025/26 financial year.	a) PMs are following up on outstanding invoices, which will be vetted and processed by 10 July 2026. b) The balance of unspent funds will be rolled over in the August 2026 adjustments budget.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Capital Expenditure by Vote</u>				
Vote 11 - Urban Mobility	(674 409)	-22.3%	The negative variance reflects mainly on the following projects within the IRT Phase 2A programme: 1. Trunk E1 M9 Heinz – Duinefontein Railway, which is behind schedule due to bulk watermain stoppages, community unrest, and safety concerns. Construction sequencing was revised, bridge piles completed, and east abutment works are ongoing. While phased TMP implementation is expected to support recovery, productivity continues to be impacted. 2. Trunk E2 M9 Duinefontein Railway – Intsikizi, where the project is behind schedule due to the relocation requirements of Eskom and bulk water services, which must be completed before work can continue. An Extension of Time was awarded through adjudication, and an optimised programme has been submitted to recover lost time; however, ongoing work stoppages continue to impact project timelines. 3. W2 Roadway – Turfhall Road, where the project progress was constrained by the relocation of overhead and underground cables, as well as energy cable diversions, resulting in certain works not being completed by 30 June 2026. 4. W4 Roadway – Govan Mbeki, where invoices for the period under review were received after month-end, as well as contractor claims being lower than originally anticipated. 5. Trunk E4 – Morning Star to Mew Way, where the project was disrupted by safety incidents and threats to contractor staff, resulting in the suspension of works and reduced expenditure.	a) Awaiting invoices for work completed in order to vet and GRN. b) A roll-over application to National Treasury for unspent grant funds will be made.
Vote 12 - Urban Waste Management	(24 524)	-5.4%	The negative variance reflects mainly on the VHS: LFG Infrastructure - Beneficiation Project, which is delayed due to the selection of a new site location, as determined by the master plan outcome. This change has necessitated additional gas testing, as well as site-specific geotechnical investigations and assessments. Site Location 2 has been selected, requiring the relocation of the existing gas flaring compound and the development of a revised site layout design. Additional gas testing has commenced, and progress has been made in developing the new site layout and coordinating arrangements for the selected location.	The unspent funds will be rolled over in the August 2026 adjustments budget.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 13 - Water & Sanitation	(916 030)	-18.6%	The variance is predominantly due to the following: 1. AMI Project, where the project has been delayed due to appeals received during the tender process. 2. Potsdam WWTW Extension, where the project is behind schedule due to slower than projected progress on electrical works and delayed invoices that still need to be processed. 3. Philippi Collector Sewer Project, where invoices from the professional service provider were lower than anticipated. 4. Cape Flats Aquifer Recharge Project, which has been delayed due to longer lead times for procuring equipment from overseas. 5. Water Network Replacement Project, where less work is being required than initially anticipated across various works. 6. Replace Sewer Network FY26 Project, where delays were experienced in awarding tender 44Q/2024/25 due to one of the bidders changing their registration details during the procurement process. 7. Bulk Sewers in Milnerton Rehabilitation, Wesfleur WWTW and Wildevoëlvlei WWTW Projects, where invoices for the period under review were received after month-end.	a) Invoices are being vetted and will be processed for payment by 10 July 2026. b) The balance of the unspent commitments will be considered for roll over in the August 2026 adjustments budget.

Material variance explanations for cash flow

Description R thousands	YTD Variance R Thousands	YTD variance %	Reasons for material deviations	Remedial or corrective steps/remarks
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	218 534	1.6%	Immaterial variance.	No corrective action required.
Service charges	1 200 133	3.6%	Higher than expected receipts from service charges.	No corrective action required.
Other revenue	2 373 439	46.7%	Higher than expected other revenue received. Moreover, the system is unable to categorise all revenue received at the time of reporting.	No corrective action required.
Government - operating	69 000	0.9%	Immaterial variance.	No corrective action required.
Government - capital	(193 871)	-4.5%	Grants received were lower than anticipated. Moreover, the system is unable to distinguish between operating- and capital grants at the time of receipt.	No corrective action required.
Interest	284 307	21.7%	Interest received is higher than expected due to higher cash and investment balances and better than anticipated interest rates offered in the market.	No corrective action required.
Dividends	–	-	-	-
Payments				
Suppliers and employees	(2 018 166)	3.6%	The variance is due to higher than expected operating expenditure.	No corrective action required.
Finance charges	88 730	-8.8%	Finance charges were lower than anticipated due to lower-than-expected borrowings, as a result of a favourable cash position.	No corrective action required.
Transfers and Grants	409 198	-99.5%	The system is unable to correctly allocate all monthly cash payments relating to transfers and grants at the time of reporting.	No corrective action required.
NET CASH FROM/(USED) OPERATING ACTIVITIES	**2 431 304**	**28.5%**		
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	(84 226)	-100.0%	This is a year-end transaction.	-
Decrease (Increase) in non-current debtors	–	-	-	-
Decrease (increase) other non-current receivables	(64)	-100.0%	This is a year-end transaction.	-
Decrease (increase) in non-current investments	246 968	-100.0%	This is a year-end transaction.	-
Payments				
Capital assets	(2 811 489)	20.9%	Capital payments are lower than anticipated. Moreover, the system is unable to accurately differentiate between operating- and capital related spending at the time of reporting.	No corrective action required.
NET CASH FROM/(USED) INVESTING ACTIVITIES	**2 974 167**	**-21.8%**		
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	-	-	-
Borrowing long term/refinancing	(1 451 680)	-29.0%	The variance is due to a better than anticipated cash flow position, therefore the loan drawdown originally budgeted for in December 2025, was not utilised.	No corrective action required.
Increase (decrease) in consumer deposits	(25 709)	-100.0%	This is a year-end transaction.	-
Payments				
Repayment of borrowing	(23 333)	2.1%	Repayments were lower than anticipated due to taking up lower borrowings as a result of the favourable cash position.	No corrective action required.
NET CASH FROM/(USED) FINANCING ACTIVITIES	**(1 454 056)**	**-37.1%**		

Material variance explanations for corporate performance for Quarter 4 of 2026

Description of Indicator	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1.F Number of work opportunities created through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes) (LED1.21) Target: 35 000 Actual: 32 795	-2 205	The result is based on provisional figures, with final figures expected on 20 July 2026.	Final verified figures will be confirmed once the year-end data is available on 20 July 2026. Any required follow-up will be considered once the final result has been validated.
4.G Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards (EE1.13) Target: 95% Actual: 76.5%	-18.5%	Performance was affected by the volume and complexity of valid customer applications received for new electricity connections. Sector benchmarking through the National Rationalised Specifications Working Group indicates that the 95% target is not being achieved by comparable municipalities, including Eskom, and was therefore overly ambitious. The target has since been revised to 80%.	The target has been revised to 80% in line with sector benchmarking and operational realities. Performance will continue to be monitored against the revised service standard.
7.A Well located land parcels released to the private sector for affordable housing (number) Target: 8 Actual: 7	-1	1. Khayelitsha – The property was taken to market through a Supply Chain Management (SCM)-administered competitive disposal process. No responsive bids were received; therefore, an award could not be made. 2. Bardale – The property was taken to market through a Supply Chain Management (SCM)-administered competitive disposal process. The bid evaluation process identified a recommended bidder for consideration by the Immovable Property Adjudication Committee (IPAC). However, Legal Compliance was unable to support the IPAC submission due to a misalignment between the disposal approach reflected in the Council resolution approving the in-principle disposal of the property and the disposal process subsequently followed. As a result, an award could not be made pending amendment of the relevant Council resolution.	1. Khayelitsha – Market feedback and stakeholder input will be obtained to understand the lack of response and refine the disposal strategy before any further release to market. 2. Bardale – An amendment report will serve before Council on 30 July 2026 to align the resolution with the disposal process followed. Subject to Council approval, the adjudication report will be submitted to the Immovable Property Adjudication Committee (IPAC) for consideration. The property may contribute to the FY2026/27 target, subject to favourable Council and IPAC outcomes.

Table continues on next page.

Description of Indicator	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
9.B Biodiversity priority areas remaining (ENV4.11) Target: 34.18% Actual: 33%	-1.18	The indicator is below target due to historical losses in BioNet priority areas, mainly resulting from unlawful land occupation and related pressures on biodiversity-sensitive land. No further BioNet loss was recorded during the current financial year; however, the prior-year losses continue to affect the cumulative performance against the target.	No further BioNet loss was recorded during the current financial year. The approved revised target will be implemented in the 2026/27 financial year, with continued monitoring of BioNet priority areas to manage risks related to unlawful land occupation and other biodiversity pressures.
12.B Passenger journeys travelled on MyCiTi buses (number) Target: 19 900 000 Actual: 19 809 603	-90 397	Passenger journeys increased at a slower rate than anticipated and remained slightly below the annual target. Ridership was affected by service reliability challenges, including bus shortages, vehicle breakdowns and reduced reliability on the N2 Express service. In addition, severe weather conditions on 11 and 12 May 2026 resulted in school and office closures, restricted movement and reduced public transport use in affected areas, with an estimated cumulative loss of approximately 51 000 passengers. These factors negatively affected quarter 4 performance and contributed to the year-end shortfall.	In May 2026, 14 additional buses were deployed on the N2 Express service to improve service reliability, allow for repairs and maintenance of existing buses, support the operation of scheduled trips and assist with the recovery of passenger numbers.
16.A Community satisfaction City-wide survey (score 1–5) Target: 3.1 Actual: 3	-0.1	The target was set above the 0.2-point improvement expected from the previous baseline. Although the target was not fully achieved, the actual score of 3 reflects a positive improvement from the baseline and falls within the expected 0.2-point improvement range. This indicates progress in the Community Satisfaction Score (CSS), despite the stretch target not being reached.	Although the Community Satisfaction Score (CSS) improved from the baseline, additional focus will be placed on departmental initiatives that enhance community experience and engagement. Feedback trends will be monitored continuously, with targeted action plans implemented to accelerate progress toward the stretch target.

The full quarterly performance report is attached as Annexure B to the report.

Material variance explanations for capital expenditure by vote (Indicator 16.D/FM1.11) can be found in *Material variance explanations for capital expenditure by vote* on page 77.

Performance indicators

Description of financial indicator	Basis of calculation	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	-2.9%	3.6%	3.1%	3.0%	7.0%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	86.9%	55.5%	54.8%	49.6%	54.9%
Safety of Capital						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	23.5%	36.7%	27.9%	25.3%	27.9%
Gearing	Long Term Borrowing/ Total Community Wealth	124.4%	18.3%	12.9%	11.2%	12.9%
Liquidity						
Current Ratio	Current assets/current liabilities	1.7	1.6	1.6	1.6	1.6
Liquidity Ratio	Cash and Cash Equivalents/Current Liabilities	1.1	0.8	0.9	0.9	0.9
Revenue Management						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	12.4%	15.0%	13.8%	11.5%	13.5%
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))	0.0%	0.0%	0.0%	99.98%	0.0%
Other Indicators						
Employee costs	Employee costs/Total Revenue - capital revenue	27.7%	29.5%	29.1%	27.1%	27.6%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	8.8%	9.7%	9.6%	8.7%	9.4%
Interest & Depreciation	I&D/Total Revenue - capital revenue	6.9%	7.6%	7.1%	6.8%	6.7%

Aged Creditors

Description	Budget Year 2025/26									Prior year totals (same period)
R thousands	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	–	–	–	–	–	–	–	–	**–**	–
Bulk Water	–	–	–	–	–	–	–	–	**–**	–
PAYE deductions	–	–	–	–	–	–	–	–	**–**	–
VAT (output less input)	–	–	–	–	–	–	–	–	**–**	–
Pensions / Retirement deductions	–	–	–	–	–	–	–	–	**–**	–
Loan repayments	–	–	–	–	–	–	–	–	**–**	–
Trade Creditors	112 819	822	775	788	792	837	–	–	**116 834**	4 416 932
Auditor General	–	–	–	–	–	–	–	–	**–**	–
Other	–	–	–	–	–	–	–	–	**–**	–
Medical Aid deductions	–	–	–	–	–	–	–	–	**–**	–
Total By Customer Type	**112 819**	**822**	**775**	**788**	**792**	**837**	**–**	**–**	**116 834**	**4 416 932**

Aged Debtors

Description R thousands	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	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	488 075	93 394	62 593	72 544	75 391	47 748	291 707	1 458 152	2 589 604	1 945 542	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	861 985	70 027	19 662	32 096	11 034	28 962	149 830	464 357	1 637 953	686 279	–	–
Receivables from Non-exchange Transactions - Property Rates	818 585	107 671	60 980	58 626	60 931	31 509	216 606	906 134	2 261 040	1 273 805	–	–
Receivables from Exchange Transactions - Waste Water Management	250 623	39 638	26 592	25 152	27 675	16 769	106 592	541 713	1 034 753	717 900	–	–
Receivables from Exchange Transactions - Waste Management	175 440	25 045	16 414	18 633	18 482	11 963	75 911	330 246	672 135	455 235	–	–
Receivables from Exchange Transactions - Property Rental Debtors	124 673	14 415	13 700	1 126	37 049	25 197	93 721	693 397	1 003 279	850 491	–	–
Interest on Arrear Debtor Accounts	91 865	40 880	38 591	34 813	36 301	35 069	162 161	5 345	445 025	273 689	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–	–	–	–
Other	(105 898)	(68 316)	(22 397)	(15 891)	(10 034)	12 068	(20 587)	(223 346)	(454 401)	(257 790)	–	–
Total By Income Source	**2 705 349**	**322 754**	**216 134**	**227 098**	**256 829**	**209 285**	**1 075 941**	**4 175 998**	**9 189 388**	**5 945 151**	**–**	**–**
2024/25 - totals only	**2 754 862**	**208 034**	**214 501**	**205 336**	**216 370**	**120 695**	**982 753**	**3 957 961**	**8 660 511**	**5 483 115**	**–**	**–**
Debtors Age Analysis By Customer Group												
Organs of State	190 254	42 237	21 606	15 073	15 505	4 759	8 125	104 285	401 845	147 747	–	–
Commercial	1 081 172	69 390	43 705	41 811	32 647	21 988	137 870	195 833	1 624 414	430 148	–	–
Households	1 298 020	214 990	150 182	155 051	199 208	130 696	736 112	3 408 828	6 293 087	4 629 896	–	–
Other	135 903	(3 862)	641	15 163	9 469	51 843	193 833	467 052	870 041	737 360	–	–
Total By Customer Group	**2 705 349**	**322 754**	**216 134**	**227 098**	**256 829**	**209 285**	**1 075 941**	**4 175 998**	**9 189 388**	**5 945 151**	**–**	**–**

Investment portfolio

The investment portfolio analysis includes information on the institution where funds are invested, period of investment, type of investment and accrued interest for the month.

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Expiry date of investment	Opening Balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
R thousands	Days								
ABSA Bank	65	Fixed	6.91%	2026/07/03	40 000	227	–	–	40 227
ABSA Bank	65	Fixed	6.91%	2026/07/03	70 000	398	–	–	70 398
ABSA Bank	65	Fixed	6.91%	2026/07/03	25 000	142	–	–	25 142
ABSA Bank	65	Fixed	6.91%	2026/07/03	30 000	170	–	–	30 170
ABSA Bank	65	Fixed	6.91%	2026/07/03	60 000	341	–	–	60 341
ABSA Bank	72	Fixed	6.92%	2026/07/10	50 000	284	–	–	50 284
ABSA Bank	84	Fixed	6.92%	2026/07/27	175 000	995	–	–	175 995
ABSA Bank	66	Fixed	6.90%	2026/07/10	80 000	454	–	–	80 454
ABSA Bank	72	Fixed	6.92%	2026/07/17	70 000	398	–	–	70 398
ABSA Bank	59	Fixed	6.91%	2026/07/10	50 000	284	–	–	50 284
ABSA Bank	58	Fixed	6.90%	2026/07/10	50 000	284	–	–	50 284
ABSA Bank	64	Fixed	6.92%	2026/07/17	10 000	57	–	–	10 057
ABSA Bank	59	Fixed	6.92%	2026/07/17	50 000	284	–	–	50 284
ABSA Bank	100	Fixed	7.06%	2026/08/27	150 000	870	–	–	150 870
ABSA Bank	58	Fixed	6.92%	2026/07/17	20 000	114	–	–	20 114
ABSA Bank	64	Fixed	6.96%	2026/07/24	50 000	286	–	–	50 286
ABSA Bank	60	Fixed	6.96%	2026/07/24	90 000	515	–	–	90 515
ABSA Bank	59	Fixed	6.96%	2026/07/24	20 000	114	–	–	20 114
ABSA Bank	63	Fixed	7.10%	2026/07/31	100 000	584	–	–	100 584
ABSA Bank	60	Fixed	7.10%	2026/07/31	110 000	642	–	–	110 642
ABSA Bank	66	Fixed	7.10%	2026/08/07	80 000	451	–	–	80 451
ABSA Bank	65	Fixed	7.10%	2026/08/07	30 000	163	–	–	30 163
ABSA Bank	64	Fixed	7.10%	2026/08/07	55 000	289	–	–	55 289
ABSA Bank	52	Fixed	7.09%	2026/08/14	25 000	39	–	–	25 039
ABSA Bank	51	Fixed	7.07%	2026/08/14	20 000	27	–	–	20 027
ABSA Bank	50	Fixed	7.07%	2026/08/14	20 000	23	–	–	20 023
ABSA Bank	52	Fixed	7.10%	2026/08/21	35 000	7	–	–	35 007
ABSA Bank	52	Fixed	7.10%	2026/08/21	30 000	6	–	–	30 006
ABSA Bank	52	Fixed	7.10%	2026/08/21	10 000	2	–	–	10 002
Firstrand	65	Fixed	6.85%	2026/07/03	50 000	282	–	–	50 282
Firstrand	65	Fixed	6.85%	2026/07/03	75 000	422	–	–	75 422
Firstrand	65	Fixed	6.85%	2026/07/03	35 000	197	–	–	35 197
Firstrand	65	Fixed	6.85%	2026/07/03	35 000	197	–	–	35 197
Firstrand	65	Fixed	6.85%	2026/07/03	75 000	422	–	–	75 422
Firstrand	72	Fixed	6.85%	2026/07/10	50 000	282	–	–	50 282
Firstrand	84	Fixed	6.90%	2026/07/27	175 000	992	–	–	175 992
Firstrand	66	Fixed	6.90%	2026/07/10	100 000	567	–	–	100 567
Firstrand	72	Fixed	6.90%	2026/07/17	100 000	567	–	–	100 567
Firstrand	59	Fixed	6.85%	2026/07/10	50 000	282	–	–	50 282
Firstrand	58	Fixed	6.85%	2026/07/10	40 000	225	–	–	40 225
Firstrand	64	Fixed	6.95%	2026/07/17	155 000	885	–	–	155 885
Firstrand	59	Fixed	6.90%	2026/07/17	25 000	142	–	–	25 142
Firstrand	100	Fixed	7.05%	2026/08/27	150 000	869	–	–	150 869
Firstrand	58	Fixed	6.90%	2026/07/17	40 000	227	–	–	40 227
Firstrand	64	Fixed	6.95%	2026/07/24	55 000	314	–	–	55 314

Table continues on next page.

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Expiry date of investment	Opening Balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
R thousands	Days								
Firstrand	60	Fixed	6.90%	2026/07/24	85 000	482	–	–	85 482
Firstrand	59	Fixed	6.90%	2026/07/24	85 000	482	–	–	85 482
Firstrand	63	Fixed	6.90%	2026/07/31	130 000	737	–	–	130 737
Firstrand	60	Fixed	7.05%	2026/07/31	275 000	1 593	–	–	276 593
Firstrand	66	Fixed	7.05%	2026/08/07	160 000	896	–	–	160 896
Firstrand	65	Fixed	7.05%	2026/08/07	35 000	189	–	–	35 189
Firstrand	64	Fixed	7.05%	2026/08/07	65 000	339	–	–	65 339
Firstrand	56	Fixed	7.15%	2026/08/14	40 000	94	–	–	40 094
Firstrand	56	Fixed	7.15%	2026/08/14	35 000	82	–	–	35 082
Firstrand	52	Fixed	7.15%	2026/08/14	45 000	71	–	–	45 071
Firstrand	51	Fixed	7.15%	2026/08/14	40 000	55	–	–	40 055
Firstrand	50	Fixed	7.15%	2026/08/14	35 000	41	–	–	35 041
Firstrand	65	Fixed	6.90%	2026/07/31	30 000	198	–	–	30 198
Firstrand	52	Fixed	7.15%	2026/08/21	30 000	6	–	–	30 006
Firstrand	52	Fixed	7.15%	2026/08/21	40 000	8	–	–	40 008
Firstrand	52	Fixed	7.15%	2026/08/21	20 000	4	–	–	20 004
Investec Bank	65	Fixed	6.95%	2026/07/03	20 000	114	–	–	20 114
Investec Bank	65	Fixed	6.95%	2026/07/03	10 000	57	–	–	10 057
Investec Bank	65	Fixed	6.95%	2026/07/03	15 000	86	–	–	15 086
Investec Bank	65	Fixed	6.95%	2026/07/03	25 000	143	–	–	25 143
Investec Bank	72	Fixed	6.97%	2026/07/10	50 000	286	–	–	50 286
Investec Bank	59	Fixed	7.03%	2026/07/17	25 000	144	–	–	25 144
Investec Bank	100	Fixed	7.10%	2026/08/27	150 000	875	–	–	150 875
Investec Bank	60	Fixed	7.15%	2026/07/31	105 000	617	–	–	105 617
Investec Bank	65	Fixed	7.15%	2026/08/07	15 000	82	–	–	15 082
Investec Bank	64	Fixed	7.15%	2026/08/07	20 000	106	–	–	20 106
Investec Bank	50	Fixed	7.13%	2026/08/14	10 000	12	–	–	10 012
Investec Bank	66	Fixed	7.15%	2026/08/07	30 000	170	–	–	30 170
Investec Bank	52	Fixed	7.15%	2026/08/21	15 000	3	–	–	15 003
Investec Bank	52	Fixed	7.15%	2026/08/21	15 000	3	–	–	15 003
Nedbank	65	Fixed	7.00%	2026/07/03	25 000	144	–	–	25 144
Nedbank	65	Fixed	7.00%	2026/07/03	25 000	144	–	–	25 144
Nedbank	65	Fixed	7.00%	2026/07/03	25 000	144	–	–	25 144
Nedbank	65	Fixed	7.00%	2026/07/03	50 000	288	–	–	50 288
Nedbank	72	Fixed	7.00%	2026/07/10	50 000	288	–	–	50 288
Nedbank	84	Fixed	7.05%	2026/07/27	175 000	1 014	–	–	176 014
Nedbank	66	Fixed	7.00%	2026/07/10	75 000	432	–	–	75 432
Nedbank	72	Fixed	7.05%	2026/07/17	70 000	406	–	–	70 406
Nedbank	59	Fixed	7.00%	2026/07/17	50 000	288	–	–	50 288
Nedbank	100	Fixed	7.15%	2026/08/27	150 000	882	–	–	150 882
Nedbank	63	Fixed	7.20%	2026/07/31	100 000	592	–	–	100 592
Nedbank	60	Fixed	7.15%	2026/07/31	10 000	59	–	–	10 059
Nedbank	66	Fixed	7.20%	2026/08/07	65 000	372	–	–	65 372
Nedbank	65	Fixed	7.20%	2026/08/07	25 000	138	–	–	25 138
Nedbank	64	Fixed	7.20%	2026/08/07	45 000	240	–	–	45 240
Nedbank	53	Fixed	7.15%	2026/08/14	15 000	26	–	–	15 026
Nedbank	52	Fixed	7.10%	2026/08/14	45 000	70	–	–	45 070
Nedbank	51	Fixed	7.10%	2026/08/14	20 000	27	–	–	20 027
Nedbank	50	Fixed	7.10%	2026/08/14	25 000	29	–	–	25 029
Nedbank	52	Fixed	7.10%	2026/08/21	25 000	5	–	–	25 005
Nedbank	52	Fixed	7.10%	2026/08/21	30 000	6	–	–	30 006
Nedbank	52	Fixed	7.10%	2026/08/21	20 000	4	–	–	20 004
Nedbank	365	Fixed	7.70%	2027/06/30	39 648	8	–	–	39 656
Nedbank	365	Fixed	7.70%	2027/06/30	49 575	10	–	–	49 585

Table continues on next page.

Investments by maturity Name of institution & investment ID R thousands	Period of Investment Days	Type of Investment	Interest Rate	Expiry date of investment	Opening Balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
Nedbank	365	Fixed	7.70%	2027/06/30	62 100	13	–	–	62 113
Nedbank	365	Fixed	7.70%	2027/06/30	715	0	–	–	715
Nedbank	365	Fixed	7.70%	2027/06/30	590	0	–	–	590
Nedbank	365	Fixed	7.70%	2027/06/30	13 900	3	–	–	13 903
Nedbank	365	Fixed	7.70%	2027/06/30	290	0	–	–	290
Nedbank	365	Fixed	7.70%	2027/06/30	1 479	0	–	–	1 479
Nedbank	365	Fixed	7.70%	2027/06/30	28 000	6	–	–	28 006
Nedbank	365	Fixed	7.70%	2027/06/30	38 596	8	–	–	38 604
Nedbank	365	Fixed	7.70%	2027/06/30	25 116	5	–	–	25 122
Nedbank	365	Fixed	7.70%	2027/06/30	22 161	5	–	–	22 166
Nedbank	365	Fixed	7.70%	2027/06/30	17 465	4	–	–	17 469
Nedbank	365	Fixed	7.70%	2027/06/30	23 042	5	–	–	23 047
Nedbank	365	Fixed	7.70%	2027/06/30	16 400	3	–	–	16 403
Standard Bank	65	Fixed	7.03%	2026/07/03	65 000	376	–	–	65 376
Standard Bank	65	Fixed	7.03%	2026/07/03	30 000	173	–	–	30 173
Standard Bank	65	Fixed	7.03%	2026/07/03	30 000	173	–	–	30 173
Standard Bank	65	Fixed	7.03%	2026/07/03	65 000	376	–	–	65 376
Standard Bank	72	Fixed	7.04%	2026/07/10	50 000	289	–	–	50 289
Standard Bank	84	Fixed	7.06%	2026/07/27	180 000	1 044	–	–	181 044
Standard Bank	66	Fixed	7.03%	2026/07/10	125 000	722	–	–	125 722
Standard Bank	72	Fixed	7.04%	2026/07/17	70 000	405	–	–	70 405
Standard Bank	59	Fixed	7.02%	2026/07/10	50 000	288	–	–	50 288
Standard Bank	58	Fixed	7.04%	2026/07/10	50 000	289	–	–	50 289
Standard Bank	64	Fixed	7.05%	2026/07/17	10 000	58	–	–	10 058
Standard Bank	59	Fixed	7.05%	2026/07/17	50 000	290	–	–	50 290
Standard Bank	100	Fixed	7.20%	2026/08/27	150 000	888	–	–	150 888
Standard Bank	58	Fixed	7.05%	2026/07/17	55 000	318	–	–	55 318
Standard Bank	64	Fixed	7.06%	2026/07/24	55 000	319	–	–	55 319
Standard Bank	60	Fixed	7.05%	2026/07/24	90 000	521	–	–	90 521
Standard Bank	59	Fixed	7.04%	2026/07/24	85 000	492	–	–	85 492
Standard Bank	65	Fixed	7.05%	2026/07/31	50 000	290	–	–	50 290
Standard Bank	63	Fixed	7.23%	2026/07/31	45 000	267	–	–	45 267
Standard Bank	66	Fixed	7.23%	2026/08/07	30 000	172	–	–	30 172
Standard Bank	65	Fixed	7.23%	2026/08/07	35 000	194	–	–	35 194
Standard Bank	64	Fixed	7.23%	2026/08/07	55 000	294	–	–	55 294
Standard Bank	56	Fixed	7.20%	2026/08/14	50 000	118	–	–	50 118
Standard Bank	56	Fixed	7.20%	2026/08/14	50 000	118	–	–	50 118
Standard Bank	52	Fixed	7.15%	2026/08/14	35 000	55	–	–	35 055
Standard Bank	51	Fixed	7.19%	2026/08/14	20 000	28	–	–	20 028
Standard Bank	50	Fixed	7.19%	2026/08/14	35 000	41	–	–	35 041
Standard Bank	52	Fixed	7.19%	2026/08/21	35 000	7	–	–	35 007
Standard Bank	52	Fixed	7.19%	2026/08/21	45 000	9	–	–	45 009
Standard Bank	52	Fixed	7.19%	2026/08/21	35 000	7	–	–	35 007
ABSA Bank	-	Call deposit	7.00%	-	464 322	3 053	(120 000)	285 000	632 375
Firstrand Bank	-	Call deposit	6.85%	-	281 581	1 617	(356 581)	350 000	276 617
Investec Bank	-	Call deposit	6.75%	-	165 948	785	(125 948)	325 000	365 785
Nedbank	-	Call deposit	6.85%	-	266 399	1 807	(201 399)	325 000	391 807
Standard Bank	-	Call deposit	7.00%	-	412 541	3 158	(162 541)	350 000	603 158
Nedbank current account	-	Current account	6.80%	-	452 151	1 489	–	58 884	512 524
Fund Managers	-	-	-	-	10 400 659	67 671	–	–	10 468 331
Cash in transit	-	-	-	-	70 799	–	(63 091)	–	7 708
CTICC	-	-	-	-	271 435	–	(51 000)	–	220 435
COID	-	-	-	-	36 636	(52)	–	–	36 584
Shares in Atlantis Special Economic Zone Company SOC Ltd	-	-	-	-	56 500	–	–	–	56 500
TOTAL INVESTMENTS AND INTEREST					**20 538 048**		**(1 080 559)**	**1 693 884**	**21 268 492**

Transfers and grants expenditure

Description	2024/25	Budget Year 2025/26						
R thousands	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Operating expenditure of Transfers and Grants								
National Government:	**5 222 539**	**5 774 169**	**5 769 789**	**5 469 440**	**5 769 789**	**(300 349)**	**-5.2%**	**5 769 789**
Local Government Equitable Share	4 365 700	4 693 517	4 693 517	4 693 517	4 693 517	-	-	4 693 517
Finance Management grant	996	1 000	1 000	985	1 000	(15)	-1.5%	1 000
Urban Settlements Development Grant	39 952	199 548	164 268	40 370	164 268	(123 898)	-75.4%	164 268
Energy Efficiency and Demand Side Management Grant	866	980	1 450	885	1 450	(565)	-39.0%	1 450
Department of Environmental Affairs and Tourism	384	–	–	–	–	–	-	–
Expanded Public Works Programme	26 268	14 926	15 310	14 784	15 310	(527)	-3.4%	15 310
Infrastructure Skills Development	13 952	25 600	25 600	24 851	25 600	(749)	-2.9%	25 600
Public Transport Network Grant	545 018	571 325	571 325	503 674	571 325	(67 651)	-11.8%	571 325
Informal Settlements Upgrading Partnership Grant	26 678	97 240	97 459	22 362	97 459	(75 097)	-77.1%	97 459
GBS Grant	(134)	–	–	–	–	–	-	–
National Skills Fund	1 446	–	–	–	–	–	-	–
Programme And Project Preparation Support Grant	76 797	57 600	–	–	–	–	-	–
Public Emloyment Program (NT PEP)	121 454	90 000	–	–	–	–	-	–
Neighbourhood Development Partnership Grant	–	22 434	–	–	–	–	-	–
Municipal Disaster Recovery Grant	2 467	–	13 757	11 965	13 757	(1 792)	-13.0%	13 757
Urban Development Financing Grant	–	–	183 252	154 699	183 252	(28 553)	-15.6%	183 252
State Dept: RLCC	–	–	2 851	1 348	2 851	(1 503)	-52.7%	2 851
Regional Land Claims	696	–	–	–	–	–	-	–
Provincial Government:	**1 117 802**	**1 438 018**	**1 468 743**	**1 322 427**	**1 468 743**	**(146 317)**	**-10.0%**	**1 468 743**
Cultural Affairs and Sport - Provincial Library Services	56 354	57 473	58 508	57 302	58 508	(1 206)	-2.1%	58 508
Cultural Affairs and Sport - Library Services: Transfer funding to enable City of Cape Town to procure periodicals and newspapers	1 438	–	39	39	39	–	-	39
Human Settlements - Human Settlement Development Grant	233 188	304 420	320 460	297 797	320 460	(22 663)	-7.1%	320 460
Health - TB	30 774	31 602	31 602	28 819	31 602	(2 783)	-8.8%	31 602
Health - ARV	260 986	299 819	299 819	263 537	299 819	(36 282)	-12.1%	299 819
Health - Nutrition	3 347	6 068	6 068	6 068	6 068	–	-	6 068
Health - Vaccines	88 033	100 644	100 644	75 845	100 644	(24 799)	-24.6%	100 644
Comprehensive Health	–	204 230	204 230	170 650	204 230	(33 580)	-16.4%	204 230
LEAP	353 000	350 000	350 000	341 435	350 000	(8 565)	-2.4%	350 000
Transport and Public Works - Provision for persons with special needs	10 175	10 000	20 040	20 040	20 040	–	-	20 040
Community Safety - Law Enforcement Auxiliary Services	5 393	1 800	2 400	2 400	2 400	–	-	2 400
Community Development Workers	829	1 018	1 240	689	1 240	(551)	-44.4%	1 240
Tourism Safety Law Enforcement Unit	2 000	2 000	2 000	2 000	2 000	–	-	2 000
Municipal accreditation and capacity building grant	11 796	18 497	18 719	11 822	18 719	(6 897)	-36.8%	18 719
Human Settlements -Informal Settlements	398	–	–	–	–	–	-	–
Finance Management Capacity Building Grant	150	–	101	101	101	–	-	101
Transport Systems - Public Transport Safety	4 577	8 236	8 236	–	8 236	(8 236)	-100.0%	8 236
Western Cape Department of Education: Schools Resource Officers	24 078	35 040	31 154	31 154	31 154	–	-	31 154
Human Settlements - Human Settlement Development Grant TDRG	–	7 171	7 202	7 202	7 202	–	-	7 202
Law Enforcement Officers for Health Facilities	4 311	–	4 579	4 522	4 579	(57)	-1.2%	4 579
Title Deeds Restoration	10 676	–	–	–	–	–	-	–
NHBRC Enrolment Fess	15 953	–	–	–	–	–	-	–
Municipal Service Delivery and Capacity Building Grant	346	–	704	6	704	(698)	-99.2%	704
Other grant providers:	**61 099**	**117 374**	**99 062**	**54 378**	**99 062**	**(44 684)**	**-45.1%**	**99 062**
CID	(7 252)	63 230	12 460	7 565	12 460	(4 895)	-39.3%	12 460
KFW- Technical Assistance (GDB)	57	12 000	19 943	3 732	19 943	(16 211)	-81.3%	19 943
State Dept: RLCC	–	7 900	–	–	–	–	-	–
Gates Foundation	19 264	–	–	–	–	–	-	–
National Treasury - Interest	42 277	29 586	65 885	37 690	60 812	(23 123)	-38.0%	65 885
The Cape Academy for MST	(206)	–	–	–	–	–	-	–
CHIETA Learnership Programmes	596	–	536	536	536	–	-	536
Sustainable Energy Africa	–	–	237	229	237	(7)	-3.0%	237
CMTF	6 363	–	–	4 625	5 073	(448)	-8.8%	–
Department of Environmental Affairs and Tourism	–	220	–	–	–	–	-	–
Law Enforcement Officers for Health Facilities	–	4 438	–	–	–	–	-	–
Total operating expenditure of Transfers and Grants:	**6 401 440**	**7 329 561**	**7 337 594**	**6 846 244**	**7 337 594**	**(491 350)**	**-6.7%**	**7 337 594**

Table continues on next page.

Description R thousands	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure of Transfers and Grants								
National Government:	**2 585 169**	**3 735 882**	**4 226 332**	**3 522 853**	**4 226 332**	**(703 479)**	**-16.6%**	**3 833 014**
Minerals and Energy: Energy Efficiency and Demand Side Management Grant	6 100	6 020	5 550	5 550	5 550	–	-	5 550
National Treasury: Infrastructure Skills Development Grant	48	600	600	598	600	(2)	-0.3%	598
National Treasury: Informal Settlements Upgrading Partnership Grant: Municipalities	437 210	522 287	552 622	484 216	552 622	(68 406)	-12.4%	546 274
National Treasury: Neighbourhood Development Partnership Grant	30 192	12 066	12 066	12 065	12 066	(1)	0.0%	12 065
Transport: Public Transport Network Grant	254 118	401 162	401 162	360 785	401 162	(40 378)	-10.1%	363 653
National Treasury: Public Transport Network: Budget Facility for Infrastructure Grant	917 985	1 905 000	1 905 000	1 489 215	1 905 000	(415 785)	-21.8%	1 582 656
National Treasury: Public Employment Programme	–	–	1 000	–	1 000	(1 000)	-100.0%	998
National Treasury: Urban Development Financing Grant	–	–	400 921	273 397	400 921	(127 524)	-31.8%	377 390
National Treasury: Municipal Disaster Recovery Grant	–	–	950	–	950	(950)	-100.0%	–
National Treasury: Urban Settlements Development Grant	939 516	888 746	946 460	897 026	946 460	(49 435)	-5.2%	943 831
Provincial Government:	**14 308**	**6 657**	**10 690**	**10 690**	**10 690**	**–**	**-**	**10 690**
Cultural Affairs and Sport: Library Services: Metro Library Grant	5 992	6 097	6 365	6 365	6 365	–	-	6 365
Provincial Government: Municipal Accreditation and Capacity Building Grant	–	560	439	439	439	–	-	439
Western Cape Department of Education: Schools Resource Officers	727	–	3 886	3 886	3 886	–	-	3 886
Law Enforcement Officers LEAP	7 000	–	–	–	–	–	-	–
Cultural Affairs and Sport: Library Services Replacement Funding	5	–	–	–	–	–	-	–
Law Enforcement Officers for Health Facilities	584	–	–	–	–	–	-	–
Other grant providers:	**7 859**	**112 651**	**107 707**	**57 365**	**107 707**	**(50 342)**	**-46.7%**	**60 696**
Other: Other	7 859	112 651	107 707	57 365	107 707	(50 342)	-46.7%	60 696
Total capital expenditure of Transfers and Grants	**2 607 336**	**3 855 190**	**4 344 729**	**3 590 908**	**4 344 729**	**(753 821)**	**-17.4%**	**3 904 400**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	**9 008 776**	**11 184 751**	**11 682 322**	**10 437 152**	**11 682 322**	**(1 245 170)**	**-10.7%**	**11 241 994**

Expenditure on councillor and board members' allowances and employee benefits

Councillor and staff benefits

Summary of Employee and Councillor remuneration R thousands	2024/25	Budget Year 2025/26						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	162 358	173 003	172 230	169 909	172 230	(2 322)	-1.3%	172 230
Pension and UIF Contributions	3 200	3 611	3 440	3 327	3 440	(112)	-3.3%	3 440
Medical Aid Contributions	–	–	15	6	15	(9)	-60.5%	15
Motor Vehicle Allowance	256	845	270	238	270	(32)	-11.9%	270
Cellphone Allowance	9 923	10 537	10 502	9 944	10 502	(558)	-5.3%	10 502
Other benefits and allowances	10 096	9 733	11 920	10 710	11 920	(1 210)	-10.2%	11 920
Sub Total - Councillors	**185 833**	**197 729**	**198 376**	**194 133**	**198 376**	**(4 243)**	**-2.1%**	**198 376**
% increase		**6.4%**	**6.7%**					**6.7%**
Senior Managers of the Municipality								
Basic Salaries and Wages	35 804	39 285	39 169	39 168	39 169	(1)	0.0%	39 169
Pension and UIF Contributions	2 771	4 038	3 043	3 042	3 043	(1)	0.0%	3 043
Medical Aid Contributions	135	139	161	161	161	–	-	161
Performance Bonus	1 677	–	2 600	2 600	2 600	–	-	2 600
Motor Vehicle Allowance	465	487	667	473	667	(194)	-29.1%	667
Cellphone Allowance	585	654	709	662	709	(47)	-6.6%	709
Other benefits and allowances	101	105	109	114	109	5	4.5%	109
Payments in lieu of leave	–	–	–	–	–	–	-	–
Long service awards	–	–	–	–	–	–	-	–
Sub Total - Senior Managers of Municipality	**41 537**	**44 708**	**46 458**	**46 221**	**46 458**	**(238)**	**-0.5%**	**46 458**
% increase		**7.6%**	**11.8%**					**11.8%**
Other Municipal Staff								
Basic Salaries and Wages	12 536 129	14 531 575	13 978 192	13 594 759	13 978 192	(383 433)	-2.7%	13 978 192
Pension and UIF Contributions	1 894 518	2 433 444	2 298 032	2 076 937	2 298 032	(221 095)	-9.6%	2 298 032
Medical Aid Contributions	1 133 885	1 296 344	1 273 086	1 242 469	1 273 086	(30 617)	-2.4%	1 273 086
Overtime	1 030 426	1 024 125	1 220 169	1 119 957	1 220 169	(100 212)	-8.2%	1 220 169
Motor Vehicle Allowance	260 866	290 430	297 533	279 848	297 533	(17 685)	-5.9%	297 533
Cellphone Allowance	46 030	54 532	57 811	51 060	57 811	(6 750)	-11.7%	57 811
Housing Allowances	68 441	72 325	71 906	71 308	71 906	(598)	-0.8%	71 906
Other benefits and allowances	445 790	490 756	503 214	465 054	503 214	(38 160)	-7.6%	503 214
Payments in lieu of leave	175 851	123 276	148 693	93 120	148 693	(55 573)	-37.4%	148 693
Long service awards	105 780	107 935	162 489	105 278	162 489	(57 211)	-35.2%	162 489
Post-retirement benefit obligations	779 280	412 989	725 061	426 029	725 061	(299 032)	-41.2%	725 061
Scarcity	–	6 651	–	–	–	–	-	–
Acting and post related allowance	11 059	–	9 725	8 340	9 725	(1 385)	-14.2%	9 725
Sub Total - Other Municipal Staff	**18 488 055**	**20 844 382**	**20 745 912**	**19 534 159**	**20 745 912**	**(1 211 753)**	**-5.8%**	**20 745 912**
% increase		**12.7%**	**12.2%**					**12.2%**
Total Parent Municipality	**18 715 426**	**21 086 819**	**20 990 746**	**19 774 513**	**20 990 746**	**(1 216 234)**	**-5.8%**	**20 990 746**

The table below reflects the percentage variance for councilor and staff benefits, reasons for material deviations and the remedial action thereof.

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Councillors (Political Office Bearers plus Other)				
Basic Salaries and Wages	(2 322)	-1.3%	Immaterial variance.	-
Pension and UIF Contributions	(112)	-3.3%	Immaterial variance.	-
Medical Aid Contributions	(9)	-60.5%	The variance is due to a misalignment of the budget as a result of the structuring of TCOE by Councillors.	No remedial action required.
Motor Vehicle Allowance	(32)	-11.9%	Immaterial variance.	-
Cellphone Allowance	(558)	-5.3%	Immaterial variance.	-
Housing Allowances	–	-	-	-
Other benefits and allowances	(1 210)	-10.2%	Immaterial variance.	-
Senior Managers of the Municipality				
Basic Salaries and Wages	(1)	0.0%	Immaterial variance.	-
Pension and UIF Contributions	(1)	0.0%	Immaterial variance.	-
Medical Aid Contributions	(0)	0.0%	Immaterial variance.	-
Performance Bonus	–	-	-	-
Motor Vehicle Allowance	(194)	-29.1%	Immaterial variance.	-
Cellphone Allowance	(47)	-6.6%	Immaterial variance.	-
Other benefits and allowances	5	4.5%	Immaterial variance.	-
Payments in lieu of leave	–	-	-	-
Long service awards	–	-	-	-

Table continues on next page.

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Other Municipal Staff				
Basic Salaries and Wages	(383 433)	-2.7%	The variance is mainly due to: 1. The turnaround time in filling vacancies. 2. The internal filling of vacancies.	The City had 3647 vacancies as at 30 June 2026; 11 173 positions were filled (3847 internal, 1453 external, 1219 rehire & 4654 EPWP) with 2259 terminations processed since the start of the financial year. Filling of vacancies is on-going and seasonal staff are appointed as and when required.
Pension and UIF Contributions	(221 095)	-9.6%	The variance is mainly due to the turnaround time in filling vacancies and the internal filling of vacancies.	Filling of vacancies is on-going.
Medical Aid Contributions	(30 617)	-2.4%	The variance is mainly due to the turnaround time in filling vacancies and the internal filling of vacancies.	Filling of vacancies is on-going.
Overtime	(100 212)	-8.2%	The variance is mainly on: Energy, due to the implementation of overtime restrictions and coupled with the absence of load-shedding, there has been a reduction in theft and vandalism of electrical infrastructure, resulting in decreased overtime. Finance, due to less than planned structured overtime worked for the year-to-date. Water & Sanitation and Safety & Security, where overtime is processed one month in arrears, resulting in overtime incurred during June 2026 being processed in period 13.	No remedial actions required.
Motor Vehicle Allowance	(17 685)	-5.9%	The variance is mainly due to the turnaround time in filling vacancies and the internal filling of vacancies.	Filling of vacancies is on-going.
Cellphone Allowance	(6 750)	-11.7%	The variance is mainly due to the turnaround time in filling vacancies and the internal filling of vacancies.	Filling of vacancies is on-going.
Housing Allowances	(598)	-0.8%	Immaterial variance.	-
Other benefits and allowances	(38 160)	-7.6%	The variance is mainly due to the turnaround time in filling vacancies and the internal filling of vacancies.	Filling of vacancies is on-going.
Payments in lieu of leave	(55 573)	-37.4%	Payments are linked to resignation and retirement of employees, which is difficult to plan accurately on a monthly basis. Payments further include encashment of leave days opted to by qualifying employees of long service awards.	The expenditure related to the leave pay out of long service awards will be reposted to the correct GL account as part of the year-end transaction processing.
Long service awards	(57 211)	-35.2%	Payments are dependent on when qualifying employees exercise their option to convert leave days to cash, which is difficult to plan accurately on a monthly basis .	The balance of the budgetary provisions will be transferred as part of year-end transactions to the leave provision in accordance with GRAP 19 as these relate to the vested leave benefits owed to employees.
Post-retirement benefit obligations	(299 032)	-41.2%	Post-retirement benefit obligations are linked to the retirement of qualifying employees and processed at year-end based on an actuarial valuation.	Year-end transactions will be processed upon the completion of the actuarial valuation at year-end.
Acting and post related allowance	(1 385)	-14.2%	Immaterial variance.	-

Monthly actual and targets for cash flow

Actual and revised targets for cash receipts and cash flows

Description	Budget Year 2025/26												2025/26 Medium Term Revenue & Expenditure Framework		
R thousands	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Outcome	May Outcome	June Outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Cash Receipts By Source															
Property rates	1 171 666	1 320 985	1 243 107	1 337 064	1 183 109	1 070 126	1 028 419	1 087 960	1 113 030	1 157 856	1 211 429	1 092 639	13 798 856	14 818 887	15 804 826
Service charges - Electricity revenue	2 270 111	2 187 572	2 256 589	2 054 841	1 687 788	2 156 579	1 833 403	1 783 714	2 094 980	1 754 655	1 956 963	2 364 105	23 441 050	24 084 867	24 870 755
Service charges - Water revenue	395 868	389 722	405 466	464 839	442 682	522 221	510 865	539 918	611 221	449 393	538 563	468 711	5 353 026	5 788 937	6 982 510
Service charges - Waste Water Management	205 753	222 999	222 248	263 212	241 325	288 563	271 685	289 115	318 264	235 665	289 177	263 986	2 741 061	3 023 719	3 656 047
Service charges - Waste Mangement	66 423	110 972	107 477	178 500	156 238	114 791	169 497	155 900	192 667	99 203	174 673	176 109	2 219 943	2 605 253	2 805 557
Rental of facilities and equipment	45 661	41 233	34 349	52 198	27 808	34 774	33 138	36 395	35 505	36 954	30 460	48 046	345 865	388 569	466 088
Interest earned - external investments	131 749	118 711	123 034	147 579	150 124	144 896	120 269	121 946	102 711	129 239	133 258	169 944	1 309 154	648 785	789 055
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	25 073	25 683	26 510	29 822	27 880	33 207	29 084	29 105	30 441	27 363	28 639	29 653	405 299	392 592	416 560
Licences and permits	11 533	47 371	40 325	27 303	35 323	37 869	24 529	36 522	36 499	31 228	19 404	49 784	47 909	52 779	55 101
Agency services	–	–	–	–	–	–	–	–	–	–	–	–	302 874	310 022	337 339
Transfers and Subsidies - Operational	2 278 593	433 475	39 671	416 558	485 180	1 706 214	73 160	160 886	1 690 249	21 309	101 300	–	7 337 594	7 404 716	7 561 017
Other revenue	115 216	1 212 869	802 784	331 029	279 782	1 409 639	313 733	184 090	1 116 569	256 825	170 664	60 706	3 975 188	4 226 475	4 424 234
Cash Receipts by Source	**6 717 646**	**6 111 593**	**5 301 561**	**5 302 945**	**4 717 239**	**7 518 879**	**4 407 781**	**4 425 551**	**7 342 137**	**4 199 690**	**4 654 528**	**4 723 684**	**61 277 821**	**63 745 603**	**68 169 089**
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	722 837	318 952	55 535	–	248 716	803 078	–	352 162	1 551 447	42 566	–	55 565	4 344 729	4 193 542	2 856 189
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets	–	–	–	–	–	–	–	–	–	–	–	–	84 226	60 884	110 999
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	2 800 000	–	–	–	–	–	–	–	–	748 320	–	5 000 000	5 000 000	5 000 000
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	25 709	23 033	23 535
VAT Control (receipts)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	64	(25)	3
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	(246 968)	(160 080)	(171 546)
Total Cash Receipts by Source	**7 440 483**	**9 230 544**	**5 357 096**	**5 302 945**	**4 965 954**	**8 321 957**	**4 407 781**	**4 777 714**	**8 893 584**	**4 242 256**	**5 402 848**	**4 779 249**	**70 485 580**	**72 862 957**	**75 988 268**

Table continues on next page.

City of Cape Town: S52 Annexure A – 2026 Q4 (June 2026 – Provisional Results)

Description	Budget Year 2025/26												2025/26 Medium Term Revenue & Expenditure Framework		
R thousands	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Outcome	May Outcome	June Outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Cash Payments by Type															
Employee related costs	1 591 579	1 568 900	1 585 265	1 594 757	2 486 708	1 626 117	1 651 196	1 646 987	1 626 974	1 788 678	1 628 037	1 631 266	20 338 555	22 105 265	23 666 256
Remuneration of councillors	14 783	14 719	14 691	14 767	14 748	14 657	14 736	14 949	14 669	20 458	15 312	15 196	198 376	207 615	217 996
Interest	12 713	–	13 851	104 465	66 562	258 642	10 170	2	11 354	98 810	60 012	280 749	1 006 061	1 253 076	1 682 659
Bulk purchases - Electricity	1 963 509	1 952 022	2 051 079	1 448 613	1 315 097	1 366 681	1 189 899	1 191 957	1 432 992	1 270 547	1 336 625	1 420 739	17 755 086	18 363 846	19 062 355
Acquisitions - water & other inventory	–	–	–	–	–	–	–	–	–	–	–	–	2 214 262	2 524 268	2 830 402
Contracted services	–	–	–	–	–	–	–	–	–	–	–	–	11 182 747	11 020 646	11 093 184
Transfers and subsidies - other municipalities	1 106	–	–	–	–	600	–	–	165	–	285	–	411 354	353 947	345 847
Transfers and subsidies - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure	2 355 778	1 328 660	1 101 580	2 246 237	1 782 716	1 635 223	1 323 943	1 468 176	1 262 882	1 454 804	1 880 829	1 293 919	3 977 463	4 399 758	4 510 681
Cash Payments by Type	**5 939 468**	**4 864 301**	**4 766 467**	**5 408 839**	**5 665 829**	**4 901 921**	**4 189 944**	**4 322 072**	**4 349 037**	**4 633 296**	**4 921 100**	**4 641 867**	**57 083 904**	**60 228 422**	**63 409 379**
Other Cash Flows/Payments by Type															
Capital assets	998 055	509 172	738 595	917 261	904 303	1 227 045	299 901	693 936	1 028 074	929 128	1 058 266	1 360 338	13 475 562	13 788 881	13 613 667
Repayment of borrowing	50 000	–	79 481	70 533	139 699	200 744	50 000	–	79 481	70 533	139 699	200 744	1 104 247	1 244 359	1 452 860
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	**6 987 523**	**5 373 472**	**5 584 542**	**6 396 634**	**6 709 831**	**6 329 710**	**4 539 845**	**5 016 008**	**5 456 591**	**5 632 957**	**6 119 065**	**6 202 949**	**71 663 712**	**75 261 662**	**78 475 906**
NET INCREASE/(DECREASE) IN CASH HELD	**452 961**	**3 857 072**	**(227 446)**	**(1 093 689)**	**(1 743 877)**	**1 992 247**	**(132 064)**	**(238 294)**	**3 436 992**	**(1 390 702)**	**(716 216)**	**(1 423 700)**	**(1 178 132)**	**(2 398 704)**	**(2 487 638)**
Cash/cash equivalents at the month/year beginning:	10 576 530	11 029 491	14 886 563	14 659 117	13 565 428	11 821 550	13 813 797	13 681 733	13 443 439	16 880 432	15 489 730	14 773 514	10 576 530	9 398 398	6 999 694
Cash/cash equivalents at the month/year end:	11 029 491	14 886 563	14 659 117	13 565 428	11 821 550	13 813 797	13 681 733	13 443 439	16 880 432	15 489 730	14 773 514	13 349 814	9 398 398	6 999 694	4 512 056

Capital expenditure trend

Month R thousands	2024/25	Budget Year 2025/26						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend								
July	216 084	347 387	231 017	264 166	231 017	(33 150)	-14.3%	2.1%
August	513 268	794 731	687 291	916 511	918 307	1 797	0.2%	7.1%
September	651 018	1 029 792	885 686	1 802 787	1 803 994	1 207	0.1%	14.0%
October	877 846	1 001 066	1 008 609	2 829 204	2 812 603	(16 601)	-0.6%	22.0%
November	900 341	1 113 595	1 016 886	3 816 054	3 829 489	13 434	0.4%	29.7%
December	1 048 353	993 193	1 176 915	5 061 782	5 006 404	(55 379)	-1.1%	39.4%
January	344 250	733 740	556 600	5 445 693	5 563 004	117 311	2.1%	42.3%
February	650 898	1 261 209	1 012 410	6 276 236	6 575 414	299 178	4.5%	48.8%
March	701 720	1 308 356	1 527 305	7 466 527	8 102 719	636 192	7.9%	58.0%
April	740 072	1 210 326	1 373 486	8 391 032	9 476 205	1 085 173	11.5%	65.2%
May	887 776	1 315 570	1 665 213	9 624 390	11 141 417	1 517 027	13.6%	74.8%
June	1 819 764	1 753 674	2 334 145	11 512 778	13 475 562	1 962 784	14.6%	89.5%
Total Capital expenditure	**9 351 390**	**12 862 639**	**13 475 562**					

Capital expenditure on new assets by asset class

Description R thousands	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on new assets by Asset Class/Sub-class								
Infrastructure	**2 586 307**	**4 521 025**	**4 365 173**	**3 369 707**	**4 365 173**	**(995 466)**	**-22.8%**	**3 661 049**
Roads Infrastructure	1 265 887	2 562 889	2 292 805	1 774 381	2 292 805	(518 423)	-22.6%	1 886 847
Roads	*1 257 084*	*2 559 939*	*2 288 748*	*1 770 881*	*2 288 748*	*(517 868)*	*-22.6%*	*1 882 846*
Road Structures	*1 304*	*950*	*1 426*	*870*	*1 426*	*(556)*	*-39.0%*	*1 371*
Road Furniture	*7 499*	*2 000*	*2 631*	*2 631*	*2 631*	*–*	*-*	*2 631*
Storm water Infrastructure	173 070	212 633	212 117	191 039	212 117	(21 078)	-9.9%	204 673
Drainage Collection	*173 070*	*212 633*	*212 117*	*191 039*	*212 117*	*(21 078)*	*-9.9%*	*204 673*
Electrical Infrastructure	256 267	308 060	353 914	339 658	353 914	(14 256)	-4.0%	342 526
HV Substations	*178 197*	*232 590*	*278 364*	*264 702*	*278 364*	*(13 662)*	*-4.9%*	*267 214*
LV Networks	*78 071*	*75 470*	*75 550*	*74 956*	*75 550*	*(594)*	*-0.8%*	*75 312*
Water Supply Infrastructure	621 520	913 955	1 026 956	657 592	1 026 956	(369 364)	-36.0%	777 031
Reservoirs	*159 001*	*199 893*	*229 813*	*204 377*	*229 813*	*(25 436)*	*-11.1%*	*222 766*
Pump Stations	*24 457*	*31 991*	*26 715*	*24 720*	*26 715*	*(1 995)*	*-7.5%*	*26 715*
Water Treatment Works	*174 431*	*137 840*	*161 127*	*137 339*	*161 127*	*(23 788)*	*-14.8%*	*153 997*
Bulk Mains	*82 451*	*72 610*	*155 670*	*76 863*	*155 670*	*(78 807)*	*-50.6%*	*80 383*
Distribution	*181 180*	*471 620*	*453 631*	*214 293*	*453 631*	*(239 339)*	*-52.8%*	*293 169*
Sanitation Infrastructure	196 689	496 515	461 287	391 259	461 287	(70 028)	-15.2%	433 350
Reticulation	*133 683*	*304 185*	*275 470*	*219 185*	*275 470*	*(56 285)*	*-20.4%*	*253 928*
Waste Water Treatment Works	*63 005*	*192 330*	*185 816*	*172 073*	*185 816*	*(13 743)*	*-7.4%*	*179 422*
Solid Waste Infrastructure	71 878	20 873	10 515	8 419	10 515	(2 096)	-19.9%	9 043
Landfill Sites	*71 878*	*20 873*	*10 515*	*8 419*	*10 515*	*(2 096)*	*-19.9%*	*9 043*
Information and Communication Infrastructure	996	6 100	7 579	7 360	7 579	(220)	-2.9%	7 579
Data Centres	*505*	*6 100*	*7 579*	*7 375*	*7 579*	*(205)*	*-2.7%*	*7 579*
Core Layers	*491*	*–*	*–*	*(15)*	*–*	*(15)*	*-100.0%*	*–*
Community Assets	**170 251**	**202 571**	**363 441**	**318 074**	**363 441**	**(45 368)**	**-12.5%**	**338 491**
Community Facilities	170 201	201 921	361 296	316 270	361 296	(45 026)	-12.5%	336 573
Halls	*–*	*1 020*	*2 695*	*1 870*	*2 695*	*(824)*	*-30.6%*	*2 656*
Centres	*–*	*1 246*	*–*	*–*	*–*	*–*	*-*	*–*
Clinics/Care Centres	*4 170*	*4 400*	*1 213*	*1 155*	*1 213*	*(57)*	*-4.7%*	*1 213*
Fire/Ambulance Stations	*4 026*	*4 000*	*3 226*	*3 226*	*3 226*	*–*	*-*	*3 226*
Libraries	*12 473*	*13 936*	*14 244*	*14 244*	*14 244*	*(1)*	*0.0%*	*14 244*
Public Open Space	*1 930*	*–*	*227*	*186*	*227*	*(41)*	*-17.9%*	*186*
Nature Reserves	*616*	*–*	*–*	*(5 999)*	*–*	*(5 999)*	*-100.0%*	*–*
Public Ablution Facilities	*836*	*2 800*	*2 800*	*2 800*	*2 800*	*–*	*-*	*2 800*
Markets	*41 266*	*45 047*	*48 754*	*30 150*	*48 754*	*(18 603)*	*-38.2%*	*41 863*
Taxi Ranks/Bus Terminals	*104 884*	*129 472*	*288 137*	*268 637*	*288 137*	*(19 500)*	*-6.8%*	*270 386*
Sport and Recreation Facilities	49	650	2 146	1 804	2 146	(342)	-15.9%	1 918
Outdoor Facilities	*49*	*650*	*2 146*	*1 804*	*2 146*	*(342)*	*-15.9%*	*1 918*
Other assets	**190 472**	**51 849**	**96 979**	**88 007**	**96 979**	**(8 972)**	**-9.3%**	**89 446**
Operational Buildings	190 472	51 849	96 979	88 007	96 979	(8 972)	-9.3%	89 446
Municipal Offices	*208 045*	*32 284*	*48 571*	*43 810*	*48 571*	*(4 761)*	*-9.8%*	*43 126*
Workshops	*(17 573)*	*16 565*	*45 654*	*41 538*	*45 654*	*(4 116)*	*-9.0%*	*43 662*
Laboratories	*–*	*3 000*	*2 754*	*2 659*	*2 754*	*(95)*	*-3.5%*	*2 659*
Intangible Assets	**90 693**	**88 561**	**80 575**	**65 160**	**80 575**	**(15 415)**	**-19.1%**	**77 899**
Licences and Rights	90 693	88 561	80 575	65 160	80 575	(15 415)	-19.1%	77 899
Water Rights	*47*	*150*	*–*	*–*	*–*	*–*	*-*	*–*
Computer Software and Applications	*90 646*	*88 411*	*80 575*	*65 160*	*80 575*	*(15 415)*	*-19.1%*	*77 899*
Computer Equipment	**107 029**	**154 770**	**238 008**	**234 043**	**238 008**	**(3 965)**	**-1.7%**	**235 080**
Computer Equipment	107 029	154 770	238 008	234 043	238 008	(3 965)	-1.7%	235 080
Furniture and Office Equipment	**48 805**	**14 257**	**30 344**	**28 923**	**30 344**	**(1 421)**	**-4.7%**	**29 740**
Furniture and Office Equipment	48 805	14 257	30 344	28 923	30 344	(1 421)	-4.7%	29 740
Machinery and Equipment	**141 262**	**109 851**	**182 152**	**178 462**	**182 152**	**(3 690)**	**-2.0%**	**180 217**
Machinery and Equipment	141 262	109 851	182 152	178 462	182 152	(3 690)	-2.0%	180 217
Transport Assets	**228 543**	**251 068**	**359 939**	**357 681**	**359 939**	**(2 258)**	**-0.6%**	**357 658**
Transport Assets	228 543	251 068	359 939	357 681	359 939	(2 258)	-0.6%	357 658
Land	**47 171**	**116 834**	**218 729**	**216 662**	**218 729**	**(2 067)**	**-0.9%**	**217 930**
Land	47 171	116 834	218 729	216 662	218 729	(2 067)	-0.9%	217 930
Total Capital Expenditure on new assets	**3 610 532**	**5 510 786**	**5 935 339**	**4 856 719**	**5 935 339**	**(1 078 620)**	**-18.2%**	**5 187 511**

Capital expenditure on renewal of existing assets by asset class

Description	2024/25	Budget Year 2025/26						
R thousands	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class/Sub-class								
Infrastructure	**1 944 267**	**2 603 284**	**2 465 192**	**2 130 788**	**2 465 192**	**(334 405)**	**-13.6%**	**2 396 530**
Roads Infrastructure	161 300	288 850	231 131	173 369	231 131	(57 761)	-25.0%	213 394
Roads	*146 887*	*262 965*	*203 617*	*145 855*	*203 617*	*(57 761)*	*-28.4%*	*185 880*
Road Structures	*14 413*	*25 885*	*27 514*	*27 514*	*27 514*	–	-	*27 514*
Storm water Infrastructure	4 472	11 102	9 878	4 908	9 878	(4 969)	-50.3%	8 978
Drainage Collection	*4 472*	*11 102*	*9 878*	*4 908*	*9 878*	*(4 969)*	*-50.3%*	*8 978*
Electrical Infrastructure	474 797	461 255	477 724	471 893	477 724	(5 831)	-1.2%	473 262
HV Substations	*124 604*	*50 854*	*61 485*	*60 426*	*61 485*	*(1 060)*	*-1.7%*	*60 361*
MV Substations	*18 549*	*45 000*	*23 200*	*22 889*	*23 200*	*(311)*	*-1.3%*	*22 889*
MV Networks	*204 055*	*222 201*	*248 145*	*244 932*	*248 145*	*(3 213)*	*-1.3%*	*245 611*
LV Networks	*127 590*	*143 200*	*144 894*	*143 647*	*144 894*	*(1 247)*	*-0.9%*	*144 401*
Water Supply Infrastructure	347 363	520 200	471 758	396 886	471 758	(74 872)	-15.9%	442 050
Water Treatment Works	*7 326*	*200 000*	*135 636*	*129 514*	*135 636*	*(6 122)*	*-4.5%*	*134 139*
Bulk Mains	*87 664*	–	–	*(155)*	–	*(155)*	*-100.0%*	–
Distribution	*252 373*	*320 200*	*336 122*	*267 527*	*336 122*	*(68 595)*	*-20.4%*	*307 911*
Sanitation Infrastructure	920 194	1 278 692	1 190 689	1 000 640	1 190 689	(190 050)	-16.0%	1 174 990
Pump Station	*89 717*	*107 663*	*78 615*	*75 254*	*78 615*	*(3 360)*	*-4.3%*	*71 141*
Reticulation	*631 769*	*691 459*	*737 306*	*601 620*	*737 306*	*(135 686)*	*-18.4%*	*736 686*
Waste Water Treatment Works	*190 054*	*319 817*	*265 437*	*231 335*	*265 437*	*(34 102)*	*-12.8%*	*257 832*
Outfall Sewers	*8 655*	*159 753*	*109 331*	*92 430*	*109 331*	*(16 902)*	*-15.5%*	*109 331*
Solid Waste Infrastructure	616	1 266	1 208	1 185	1 208	(23)	-1.9%	1 174
Landfill Sites	*616*	*1 266*	*1 208*	*1 185*	*1 208*	*(23)*	*-1.9%*	*1 174*
Information and Communication Infrastructure	35 524	41 920	81 798	81 464	81 798	(334)	-0.4%	81 675
Data Centres	*35 524*	*41 740*	*81 798*	*81 464*	*81 798*	*(334)*	*-0.4%*	*81 675*
Core Layers	–	*180*	–	–	–	–	-	–
Community Assets	**67 468**	**143 018**	**136 278**	**124 061**	**136 278**	**(12 217)**	**-9.0%**	**129 518**
Community Facilities	49 604	91 468	81 234	72 037	81 234	(9 196)	-11.3%	77 189
Halls	*1 068*	–	–	–	–	–	-	–
Museums	*926*	*1 800*	*1 529*	*1 213*	*1 529*	*(316)*	*-20.7%*	*1 397*
Libraries	–	*2 600*	*4 882*	*4 730*	*4 882*	*(152)*	*-3.1%*	*4 730*
Public Open Space	*99*	*100*	*99*	*98*	*99*	*(1)*	*-1.4%*	*98*
Nature Reserves	*27 016*	*49 622*	*23 413*	*19 096*	*23 413*	*(4 317)*	*-18.4%*	*20 657*
Markets	*29 513*	*34 345*	*49 394*	*45 058*	*49 394*	*(4 336)*	*-8.8%*	*48 391*
Taxi Ranks/Bus Terminals	*(9 017)*	*3 000*	*1 916*	*1 842*	*1 916*	*(74)*	*-3.9%*	*1 916*
Sport and Recreation Facilities	17 864	51 550	55 044	52 024	55 044	(3 020)	-5.5%	52 329
Indoor Facilities	–	*1 550*	*2 769*	*2 005*	*2 769*	*(764)*	*-27.6%*	*2 444*
Outdoor Facilities	*17 864*	*50 000*	*52 275*	*50 019*	*52 275*	*(2 256)*	*-4.3%*	*49 885*
Other assets	**15 463**	**20 942**	**29 085**	**20 672**	**29 085**	**(8 413)**	**-28.9%**	**20 688**
Operational Buildings	15 463	20 942	29 085	20 672	29 085	(8 413)	-28.9%	20 688
Municipal Offices	*15 546*	*19 942*	*23 931*	*15 519*	*23 931*	*(8 413)*	*-35.2%*	*15 535*
Laboratories	*(83)*	*1 000*	*5 153*	*5 153*	*5 153*	–	-	*5 153*

Table continues on next page.

Description R thousands	2024/25	Budget Year 2025/26						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class/Sub-class								
Intangible Assets	**7 549**	**15 850**	**13 777**	**13 756**	**13 777**	**(21)**	**-0.2%**	**13 757**
Licences and Rights	7 549	15 850	13 777	13 756	13 777	(21)	-0.2%	13 757
Computer Software and Applications	*7 549*	*15 850*	*13 777*	*13 756*	*13 777*	*(21)*	*-0.2%*	*13 757*
Computer Equipment	**142 179**	**144 132**	**286 683**	**265 765**	**286 683**	**(20 917)**	**-7.3%**	**266 655**
Computer Equipment	142 179	144 132	286 683	265 765	286 683	(20 917)	-7.3%	266 655
Furniture and Office Equipment	**26 073**	**103 066**	**117 600**	**49 573**	**117 600**	**(68 027)**	**-57.8%**	**51 813**
Furniture and Office Equipment	26 073	103 066	117 600	49 573	117 600	(68 027)	-57.8%	51 813
Machinery and Equipment	**70 678**	**102 473**	**98 553**	**77 301**	**98 553**	**(21 252)**	**-21.6%**	**77 938**
Machinery and Equipment	70 678	102 473	98 553	77 301	98 553	(21 252)	-21.6%	77 938
Transport Assets	**484 307**	**610 352**	**656 144**	**654 307**	**656 144**	**(1 837)**	**-0.3%**	**655 313**
Transport Assets	484 307	610 352	656 144	654 307	656 144	(1 837)	-0.3%	655 313
Living resources	**750**	**645**	**–**	**–**	**–**	**–**	-	**–**
Mature	750	645	–	–	–	–	-	–
Policing and Protection	*750*	*645*	–	–	–	–	-	–
Total Capital Expenditure on renewal of existing assets	**2 758 733**	**3 743 762**	**3 803 312**	**3 336 223**	**3 803 312**	**(467 089)**	**-12.3%**	**3 612 212**

Capital expenditure on upgrading of existing assets by asset class

Description R thousands	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class								
Infrastructure	**2 013 479**	**2 331 742**	**2 275 166**	**2 013 917**	**2 275 166**	**(261 249)**	**-11.5%**	**2 136 818**
Roads Infrastructure	153 226	139 888	121 298	99 356	121 298	(21 942)	-18.1%	105 572
Roads	*147 749*	*126 080*	*103 509*	*81 700*	*103 509*	*(21 809)*	*-21.1%*	*87 949*
Road Structures	*334*	–	–	–	–	–	-	–
Road Furniture	*5 143*	*13 808*	*17 789*	*17 656*	*17 789*	*(133)*	*-0.7%*	*17 624*
Storm water Infrastructure	181 387	138 054	189 613	181 892	189 613	(7 721)	-4.1%	187 526
Drainage Collection	*181 387*	*138 054*	*189 613*	*181 892*	*189 613*	*(7 721)*	*-4.1%*	*187 526*
Electrical Infrastructure	195 385	218 174	204 907	191 034	204 907	(13 873)	-6.8%	191 684
HV Substations	*195 385*	*218 174*	*204 907*	*191 034*	*204 907*	*(13 873)*	*-6.8%*	*191 684*
Water Supply Infrastructure	21 477	23 700	25 539	24 719	25 539	(820)	-3.2%	25 980
Reservoirs	*5 184*	*2 500*	*6 171*	*6 171*	*6 171*	-	-	*6 171*
Distribution	*16 293*	*21 200*	*19 368*	*18 547*	*19 368*	*(820)*	*-4.2%*	*19 809*
Sanitation Infrastructure	1 325 558	1 588 194	1 525 259	1 320 652	1 525 259	(204 607)	-13.4%	1 431 217
Pump Station	*5 582*	*17 764*	*10 993*	*4 431*	*10 993*	*(6 563)*	*-59.7%*	*10 934*
Reticulation	*11 569*	*11 998*	*17 448*	*16 045*	*17 448*	*(1 403)*	*-8.0%*	*17 903*
Waste Water Treatment Works	*1 308 406*	*1 558 432*	*1 496 818*	*1 300 177*	*1 496 818*	*(196 641)*	*-13.1%*	*1 402 380*
Solid Waste Infrastructure	28 804	764	13 116	10 831	13 116	(2 286)	-17.4%	12 477
Landfill Sites	*28 804*	*764*	*13 116*	*10 831*	*13 116*	*(2 286)*	*-17.4%*	*12 477*
Coastal Infrastructure	102 244	215 416	190 792	180 878	190 792	(9 913)	-5.2%	177 805
Promenades	*102 244*	*215 416*	*190 792*	*180 878*	*190 792*	*(9 913)*	*-5.2%*	*177 805*
Information and Communication Infrastructure	5 399	7 551	4 641	4 555	4 641	(86)	-1.9%	4 555
Data Centres	*1 395*	–	*546*	*485*	*546*	*(61)*	*-11.2%*	*485*
Core Layers	*4 004*	*7 551*	*4 096*	*4 071*	*4 096*	*(25)*	*-0.6%*	*4 071*
Community Assets	**365 568**	**461 825**	**451 529**	**374 015**	**451 529**	**(77 513)**	**-17.2%**	**421 931**
Community Facilities	224 501	390 835	374 689	309 425	374 689	(65 264)	-17.4%	347 205
Halls	*3 681*	*3 130*	*6 710*	*4 832*	*6 710*	*(1 878)*	*-28.0%*	*6 465*
Centres	*7 076*	*14 073*	*12 681*	*8 964*	*12 681*	*(3 716)*	*-29.3%*	*12 166*
Clinics/Care Centres	*43 569*	*55 340*	*44 086*	*41 362*	*44 086*	*(2 724)*	*-6.2%*	*43 386*
Fire/Ambulance Stations	*18 678*	*12 200*	*9 462*	*8 778*	*9 462*	*(684)*	*-7.2%*	*9 457*
Libraries	*2 629*	*14 792*	*9 742*	*9 651*	*9 742*	*(91)*	*-0.9%*	*9 742*
Cemeteries/Crematoria	*19 685*	*55 700*	*56 467*	*45 455*	*56 467*	*(11 012)*	*-19.5%*	*53 780*
Public Open Space	*61 815*	*70 580*	*83 577*	*77 425*	*83 577*	*(6 152)*	*-7.4%*	*81 621*
Nature Reserves	*6 051*	*2 234*	*9 837*	*8 686*	*9 837*	*(1 151)*	*-11.7%*	*9 553*
Public Ablution Facilities	*983*	*500*	*4 456*	*791*	*4 456*	*(3 665)*	*-82.2%*	*860*
Markets	*20 537*	*25 945*	*37 329*	*23 806*	*37 329*	*(13 522)*	*-36.2%*	*35 875*
Taxi Ranks/Bus Terminals	*39 796*	*136 341*	*100 342*	*79 674*	*100 342*	*(20 667)*	*-20.6%*	*84 300*
Sport and Recreation Facilities	141 067	70 990	76 840	64 590	76 840	(12 249)	-15.9%	74 726
Indoor Facilities	*37 293*	*5 080*	*8 639*	*8 347*	*8 639*	*(292)*	*-3.4%*	*8 638*
Outdoor Facilities	*103 774*	*65 910*	*68 200*	*56 243*	*68 200*	*(11 957)*	*-17.5%*	*66 088*
Heritage assets	**374**	**–**	**793**	**760**	**793**	**(32)**	**-4.1%**	**760**
Monuments	*374*	–	*793*	*760*	*793*	*(32)*	*-4.1%*	*760*
Other assets	**564 225**	**790 390**	**988 697**	**913 148**	**988 697**	**(75 548)**	**-7.6%**	**946 935**
Operational Buildings	353 189	461 742	544 402	474 667	544 402	(69 735)	-12.8%	507 885
Municipal Offices	*226 426*	*323 173*	*433 807*	*384 812*	*433 807*	*(48 995)*	*-11.3%*	*409 446*
Workshops	*79 088*	*129 069*	*107 926*	*87 185*	*107 926*	*(20 741)*	*-19.2%*	*95 770*
Training Centres	*47 676*	*9 500*	*2 669*	*2 669*	*2 669*	–	-	*2 669*
Housing	211 036	328 648	444 295	438 482	444 295	(5 813)	-1.3%	439 049
Social Housing	*211 036*	*328 648*	*444 295*	*438 482*	*444 295*	*(5 813)*	*-1.3%*	*439 049*
Intangible Assets	**12 790**	**15 045**	**11 656**	**8 980**	**11 656**	**(2 676)**	**-23.0%**	**11 266**
Licences and Rights	12 790	15 045	11 656	8 980	11 656	(2 676)	-23.0%	11 266
Computer Software and Applications	*12 790*	*15 045*	*11 656*	*8 980*	*11 656*	*(2 676)*	*-23.0%*	*11 266*
Computer Equipment	**14 477**	**–**	**–**	**–**	**–**	**–**	**-**	**–**
Computer Equipment	*14 477*	–	–	–	–	–	-	–
Machinery and Equipment	**11 211**	**9 089**	**8 685**	**8 628**	**8 685**	**(57)**	**-0.7%**	**8 682**
Machinery and Equipment	*11 211*	*9 089*	*8 685*	*8 628*	*8 685*	*(57)*	*-0.7%*	*8 682*
Transport Assets	**–**	**–**	**387**	**387**	**387**	**–**	-	**387**
Transport Assets	–	–	*387*	*387*	*387*	–	-	*387*
Total Capital Expenditure on upgrading of existing assets	**2 982 124**	**3 608 091**	**3 736 911**	**3 319 835**	**3 736 911**	**(417 076)**	**-11.2%**	**3 526 777**

Expenditure on repairs and maintenance by asset class

Description	2024/25	Budget Year 2025/26						
R thousands	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Repairs and maintenance expenditure by Asset Class/Sub-class								
Infrastructure	**2 820 646**	**3 832 149**	**3 693 108**	**2 895 305**	**3 220 251**	**324 946**	**10.1%**	**3 220 251**
Roads Infrastructure	874 451	929 994	917 878	861 707	1 012 656	150 949	14.9%	1 012 656
Roads	*874 451*	*897 346*	*862 967*	*861 707*	*1 012 656*	*150 949*	*14.9%*	*1 012 656*
Road Furniture	–	*32 648*	*54 911*	–	–	–	-	–
Storm water Infrastructure	–	252 056	256 235	–	–	–	-	–
Drainage Collection	–	*252 056*	*256 235*	–	–	–	-	–
Electrical Infrastructure	820 575	1 001 093	964 936	881 707	964 836	83 129	8.6%	964 836
Power Plants	*33 841*	*48 885*	*48 444*	*44 373*	*48 444*	*4 070*	*8.4%*	*48 444*
HV Substations	*54 336*	*100 658*	*94 002*	*85 514*	*93 902*	*8 387*	*8.9%*	*93 902*
MV Substations	*527 648*	*607 834*	*597 052*	*547 559*	*597 052*	*49 494*	*8.3%*	*597 052*
LV Networks	*204 750*	*243 715*	*225 438*	*204 260*	*225 438*	*21 178*	*9.4%*	*225 438*
Water Supply Infrastructure	444 645	778 239	705 206	473 710	520 551	46 841	9.0%	520 551
Boreholes	*13 600*	–	–	*4 975*	*32 273*	*27 298*	*84.6%*	*32 273*
Reservoirs	*61 603*	*119 511*	*83 072*	*73 844*	*72 913*	*(930)*	*-1.3%*	*72 913*
Pump Stations	*81 329*	*50 383*	*46 150*	*108 429*	*93 675*	*(14 753)*	*-15.7%*	*93 675*
Water Treatment Works	*62 410*	*45 647*	*58 707*	*90 388*	*74 300*	*(16 088)*	*-21.7%*	*74 300*
Bulk Mains	*35 676*	*1 662*	*19 583*	*78 192*	*69 982*	*(8 210)*	*-11.7%*	*69 982*
Distribution	*190 027*	*561 037*	*497 694*	*117 882*	*177 408*	*59 525*	*33.6%*	*177 408*
Sanitation Infrastructure	676 620	854 396	823 734	673 122	716 677	43 555	6.1%	716 677
Pump Station	–	*15 928*	*23 769*	–	–	–	-	–
Reticulation	*486 631*	*607 822*	*602 487*	*478 684*	*509 369*	*30 685*	*6.0%*	*509 369*
Waste Water Treatment Works	*179 660*	*219 334*	*188 290*	*185 222*	*197 712*	*12 490*	*6.3%*	*197 712*
Outfall Sewers	*10 329*	*11 312*	*9 188*	*9 216*	*9 595*	*379*	*4.0%*	*9 595*
Solid Waste Infrastructure	4 355	11 660	14 846	5 060	5 532	472	8.5%	5 532
Landfill Sites	*4 355*	*9 869*	*9 070*	*5 060*	*5 532*	*472*	*8.5%*	*5 532*
Waste Processing Facilities	–	*1 790*	*5 777*	–	–	–	-	–
Coastal Infrastructure	–	4 711	10 264	–	–	–	-	–
Promenades	–	*4 711*	*10 264*	–	–	–	-	–
Community Assets	**780 084**	**703 765**	**710 923**	**856 173**	**838 681**	**(17 492)**	**-2.1%**	**838 681**
Community Facilities	105 934	572 147	559 072	123 318	133 988	10 670	8.0%	133 988
Halls	*53 496*	*12 438*	*15 100*	*66 808*	*56 636*	*(10 173)*	*-18.0%*	*56 636*
Centres	*660*	*4 753*	*6 167*	*336*	*583*	*247*	*42.3%*	*583*
Clinics/Care Centres	*4 070*	*8 368*	*11 907*	*6 525*	*5 920*	*(605)*	*-10.2%*	*5 920*
Fire/Ambulance Stations	*1 400*	*15 346*	*13 907*	*1 473*	*4 983*	*3 511*	*70.4%*	*4 983*
Testing Stations	–	*14 245*	*13 516*	–	–	–	-	–
Museums	–	*6*	*6*	–	–	–	-	–
Libraries	*2 643*	*908*	*2 222*	*7 570*	*4 694*	*(2 876)*	*-61.3%*	*4 694*
Cemeteries/Crematoria	*23 975*	*34 699*	*36 283*	*20 374*	*37 789*	*17 415*	*46.1%*	*37 789*
Public Open Space	–	*448 595*	*428 037*	–	–	–	-	–
Nature Reserves	*6 733*	*5 097*	*4 996*	*4 192*	*7 056*	*2 863*	*40.6%*	*7 056*
Public Ablution Facilities	*7 224*	*18 598*	*21 397*	*14 134*	*13 779*	*(354)*	*-2.6%*	*13 779*
Markets	*5 733*	*9 094*	*5 387*	*1 905*	*2 547*	*642*	*25.2%*	*2 547*
Sport and Recreation Facilities	674 150	131 618	151 851	732 855	704 693	(28 162)	-4.0%	704 693
Indoor Facilities	*152*	*60 375*	*75 461*	*251*	*374*	*123*	*32.9%*	*374*
Outdoor Facilities	*673 998*	*71 242*	*76 390*	*732 604*	*704 318*	*(28 285)*	*-4.0%*	*704 318*
Heritage assets	**162**	**376**	**450**	**1 077**	**402**	**(676)**	**-168.2%**	**402**
Works of Art	162	–	–	1 077	402	(676)	-168.2%	402
Other Heritage	–	376	450	–	–	–	-	–

Table continues on next page.

City of Cape Town: S52 Annexure A – 2026 Q4 (June 2026 – Provisional Results)

Description R thousands	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Repairs and maintenance expenditure by Asset Class/Sub-class								
Investment properties	**347**	**177**	**201**	**250**	**851**	**601**	**70.7%**	**851**
Revenue Generating	347	165	145	228	793	566	71.3%	793
Improved Property	*347*	*165*	*145*	*228*	*793*	*566*	*71.3%*	*793*
Non-revenue Generating	–	12	56	22	57	35	61.5%	57
Unimproved Property	–	*12*	*56*	*22*	*57*	*35*	*61.5%*	*57*
Other assets	**211 170**	**700 013**	**514 545**	**199 187**	**227 510**	**28 324**	**12.4%**	**227 510**
Operational Buildings	211 170	613 653	489 584	199 187	227 510	28 324	12.4%	227 510
Municipal Offices	*205 148*	*600 447*	*476 900*	*193 221*	*221 318*	*28 098*	*12.7%*	*221 318*
Workshops	–	*8 173*	*7 365*	–	–	–	-	–
Laboratories	*4 878*	*4 793*	*5 141*	*5 214*	*5 156*	*(58)*	*-1.1%*	*5 156*
Training Centres	*725*	*240*	*178*	*733*	*537*	*(196)*	*-36.4%*	537
Depots	*420*	–	–	*19*	*498*	*479*	*96.2%*	498
Housing	–	86 360	24 961	–	–	–	-	–
Social Housing	–	*86 360*	24 961	–	–	–	-	–
Computer Equipment	**361 832**	**421 253**	**478 622**	**350 141**	**393 853**	**43 712**	**11.1%**	**393 853**
Computer Equipment	361 832	421 253	478 622	350 141	393 853	43 712	11.1%	393 853
Furniture and Office Equipment	**1 187 148**	**268 911**	**459 446**	**1 416 205**	**1 607 091**	**190 887**	**11.9%**	**1 607 091**
Furniture and Office Equipment	1 187 148	268 911	459 446	1 416 205	1 607 091	190 887	11.9%	1 607 091
Machinery and Equipment	**–**	**412 982**	**469 749**	**–**	**–**	**–**	**-**	**–**
Machinery and Equipment	–	412 982	469 749	–	–	–	-	–
Transport Assets	**520 635**	**502 392**	**537 777**	**525 788**	**576 182**	**50 395**	**8.7%**	**576 182**
Transport Assets	520 635	502 392	537 777	525 788	576 182	50 395	8.7%	576 182
Total Repairs and Maintenance Expenditure	**5 882 023**	**6 842 018**	**6 864 822**	**6 244 126**	**6 864 822**	**620 697**	**9.0%**	**6 864 822**

Depreciation by asset class

Description R thousands	2024/25	Budget Year 2025/26						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Depreciation by Asset Class/Sub-class								
Infrastructure	**1 741 273**	**1 797 262**	**1 811 451**	**1 823 023**	**1 811 451**	**(11 572)**	**-0.64%**	**1 811 451**
Roads Infrastructure	523 514	512 785	531 710	535 767	531 710	(4 057)	-0.76%	531 710
Roads	*487 940*	*480 686*	*496 910*	*499 957*	*496 910*	*(3 047)*	*-0.61%*	*496 910*
Road Structures	*13 976*	*13 721*	*14 142*	*14 143*	*14 142*	*(1)*	*-0.01%*	*14 142*
Road Furniture	*21 598*	*18 378*	*20 658*	*21 668*	*20 658*	*(1 010)*	*-4.89%*	*20 658*
Storm water Infrastructure	80 367	83 948	82 090	82 233	82 090	(143)	-0.17%	82 090
Drainage Collection	*80 367*	*83 948*	*82 090*	*82 233*	*82 090*	*(143)*	*-0.17%*	*82 090*
Electrical Infrastructure	368 024	387 725	394 472	396 174	394 472	(1 702)	-0.43%	394 472
Power Plants	*7 976*	*7 739*	*7 900*	*8 152*	*7 900*	*(252)*	*-3.19%*	*7 900*
HV Substations	*25 070*	*31 629*	*28 913*	*28 913*	*28 913*	–	-	*28 913*
MV Substations	*82 083*	*81 705*	*85 748*	*86 052*	*85 748*	*(304)*	*-0.35%*	*85 748*
MV Networks	*139 364*	*143 974*	*143 758*	*144 030*	*143 758*	*(272)*	*-0.19%*	*143 758*
LV Networks	*113 531*	*122 678*	*128 152*	*129 026*	*128 152*	*(874)*	*-0.68%*	*128 152*
Water Supply Infrastructure	251 618	273 364	259 551	260 441	259 551	(890)	-0.34%	259 551
Reservoirs	*33 848*	*34 988*	*34 254*	*34 254*	*34 254*	–	-	*34 254*
Pump Stations	*10 677*	*11 438*	*10 592*	*10 592*	*10 592*	–	-	*10 592*
Water Treatment Works	*19 095*	*20 941*	*20 018*	*20 018*	*20 018*	–	-	*20 018*
Bulk Mains	*3 395*	*6 703*	*5 716*	*6 553*	*5 716*	(837)	-14.6%	*5 716*
Distribution	*184 603*	*199 294*	*188 970*	*189 023*	*188 970*	*(53)*	*-0.03%*	*188 970*
Sanitation Infrastructure	297 240	315 945	311 929	316 115	311 929	(4 186)	*-1.34%*	311 929
Pump Station	*13 237*	*19 729*	*14 452*	*14 452*	*14 452*	–	-	14 452
Reticulation	*115 713*	*120 875*	*127 947*	*129 315*	*127 947*	(1 367)	*-1.07%*	127 947
Waste Water Treatment Works	*163 385*	*170 438*	*164 621*	*165 625*	*164 621*	*(1 004)*	*-0.61%*	164 621
Outfall Sewers	*4 904*	*4 904*	*4 908*	*4 908*	*4 908*	–	-	4 908
Solid Waste Infrastructure	67 581	77 039	78 960	79 110	78 960	(150)	-0.19%	78 960
Landfill Sites	*56 167*	*65 634*	*67 546*	*67 691*	*67 546*	*(145)*	*-0.21%*	*67 546*
Waste Processing Facilities	*11 414*	*11 406*	*11 414*	*11 419*	*11 414*	*(5)*	*0.0%*	*11 414*
Coastal Infrastructure	8 442	11 049	9 451	9 452	9 451	(1)	-0.01%	9 451
Promenades	*8 442*	*11 049*	*9 451*	*9 452*	*9 451*	*(1)*	*-0.01%*	*9 451*
Information and Communication Infrastructure	144 487	135 406	143 288	143 731	143 288	(443)	-0.31%	143 288
Data Centres	*56 544*	*57 789*	*61 048*	*61 066*	*61 048*	*(18)*	*-0.03%*	*61 048*
Core Layers	*84 648*	*74 572*	*79 194*	*79 619*	*79 194*	*(425)*	*-0.54%*	*79 194*
Distribution Layers	*3 295*	*3 046*	*3 046*	*3 046*	*3 046*	–	-	*3 046*
Community Assets	**347 338**	**345 787**	**330 526**	**332 722**	**330 526**	**(2 196)**	**-0.66%**	**330 526**
Community Facilities	142 224	151 508	139 572	141 559	139 572	(1 986)	-1.42%	139 572
Halls	*4 791*	*4 971*	*4 860*	*4 860*	*4 860*	–	-	*4 860*
Centres	*4 702*	*5 027*	*4 702*	*4 715*	*4 702*	*(13)*	-0.28%	*4 702*
Clinics/Care Centres	*7 904*	*9 553*	*7 917*	*7 917*	*7 917*	–	-	*7 917*
Fire/Ambulance Stations	*3 222*	*3 126*	*3 745*	*3 745*	*3 745*	–	-	*3 745*
Testing Stations	*1 572*	*1 508*	*1 592*	*1 594*	*1 592*	*(2)*	-0.11%	*1 592*
Museums	*343*	*343*	*343*	*343*	*343*	–	-	*343*
Theatres	*112*	*112*	*112*	*112*	*112*	–	-	*112*
Libraries	*19 698*	*19 707*	*15 879*	*17 701*	*15 879*	*(1 822)*	-11.48%	*15 879*
Cemeteries/Crematoria	*5 370*	*5 499*	*5 441*	*5 441*	*5 441*	–	-	*5 441*
Public Open Space	*15 806*	*18 453*	*15 691*	*15 716*	*15 691*	*(24)*	-0.16%	*15 691*
Nature Reserves	*850*	*908*	*626*	*626*	*626*	–	-	*626*
Public Ablution Facilities	*3 473*	*3 450*	*3 518*	*3 518*	*3 518*	–	-	*3 518*
Markets	*4 288*	*5 239*	*4 421*	*4 524*	*4 421*	*(103)*	-2.33%	*4 421*
Taxi Ranks/Bus Terminals	*70 094*	*73 611*	*70 725*	*70 747*	*70 725*	*(22)*	-0.03%	*70 725*
Sport and Recreation Facilities	205 114	194 278	190 953	191 163	190 953	(210)	-0.11%	190 953
Indoor Facilities	*12 899*	*15 938*	*13 081*	*13 083*	*13 081*	*(2)*	*-0.01%*	*13 081*
Outdoor Facilities	*192 215*	*178 341*	*177 872*	*178 080*	*177 872*	*(208)*	*-0.12%*	*177 872*

Table continues on next page.

City of Cape Town: S52 Annexure A – 2026 Q4 (June 2026 – Provisional Results)

Description R thousands	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Depreciation by Asset Class/Sub-class								
Investment properties	**1 532**	**25 953**	**38 253**	**1 711**	**38 253**	**36 541**	**95.53%**	**38 253**
Revenue Generating	1 609	1 711	1 711	1 711	1 711	–	-	1 711
Improved Property	*1 609*	*1 711*	*1 711*	*1 711*	*1 711*	–	-	*1 711*
Non-revenue Generating	(78)	24 241	36 541	–	36 541	36 541	100.00%	36 541
Unimproved Property	*(78)*	*24 241*	*36 541*	–	*36 541*	*36 541*	*100.00%*	*36 541*
Other assets	**427 764**	**429 098**	**443 541**	**451 483**	**443 541**	**(7 942)**	**-1.79%**	**443 541**
Operational Buildings	312 500	307 777	325 809	332 139	325 809	(6 330)	-1.94%	325 809
Municipal Offices	*270 213*	*262 886*	*282 612*	*288 774*	*282 612*	*(6 162)*	*-2.18%*	*282 612*
Workshops	*41 022*	*42 498*	*41 897*	*42 043*	*41 897*	*(146)*	*-0.35%*	*41 897*
Laboratories	*696*	*755*	*731*	*754*	*731*	*(23)*	*-3.2%*	*731*
Training Centres	*521*	*1 591*	*521*	*521*	*521*	–	-	*521*
Depots	*47*	*47*	*47*	*47*	*47*	–	-	*47*
Housing	115 264	121 321	117 732	119 344	117 732	(1 612)	-1.37%	117 732
Social Housing	*115 264*	*121 321*	*117 732*	*119 344*	*117 732*	*(1 612)*	*-1.37%*	*117 732*
Biological or Cultivated Assets	**–**	**337**	**285**	**–**	**285**	**285**	**100.00%**	**285**
Biological or Cultivated Assets	–	*337*	*285*	–	*285*	*285*	*100.00%*	*285*
Intangible Assets	**170 453**	**170 722**	**163 524**	**163 677**	**163 524**	**(153)**	**-0.09%**	**163 524**
Licences and Rights	170 453	170 722	163 524	163 677	163 524	(153)	-0.09%	163 524
Water Rights	–	*32*	–	–	–	–	-	–
Computer Software and Applications	*170 081*	*170 690*	*163 524*	*163 677*	*163 524*	*(153)*	*-0.09%*	*163 524*
Unspecified	*372*	–	–	–	–	-	-	–
Computer Equipment	**252 319**	**270 104**	**288 612**	**265 197**	**288 612**	**23 416**	**8.11%**	**288 612**
Computer Equipment	252 319	*270 104*	*288 612*	*265 197*	*288 612*	*23 416*	*8.11%*	*288 612*
Furniture and Office Equipment	**76 947**	**83 208**	**94 132**	**88 618**	**94 132**	**5 513**	**5.86%**	**94 132**
Furniture and Office Equipment	76 947	*83 208*	*94 132*	*88 618*	*94 132*	*5 513*	*5.86%*	*94 132*
Machinery and Equipment	**201 669**	**222 600**	**211 487**	**204 548**	**211 487**	**6 939**	**3.28%**	**211 487**
Machinery and Equipment	201 669	222 600	211 487	204 548	211 487	6 939	3.28%	211 487
Transport Assets	**557 861**	**629 093**	**614 309**	**602 128**	**614 309**	**12 181**	**1.98%**	**614 309**
Transport Assets	557 861	629 093	614 309	602 128	614 309	12 181	1.98%	614 309
Land	**10 900**	**–**	**–**	**–**	**–**	**–**	**-**	**–**
Land	10 900	–	–	–	–	–	-	–
Living resources	**148**	**–**	**–**	**248**	**–**	**(248)**	**-100.00%**	**–**
Mature	148	–	–	248	–	(248)	-100.00%	–
Policing and Protection	*148*	–	–	*248*	–	*(248)*	*-100.00%*	–
Total Depreciation	**3 788 203**	**3 974 164**	**3 996 121**	**3 933 355**	**3 996 121**	**62 766**	**1.57%**	**3 996 121**

MUNICIPAL COST CONTAINMENT REGULATIONS (MCCR)

The Municipal Cost Containment Regulations (MCCR) were promulgated on 7 June 2019, and came into effect on 1 July 2019.

In terms of the MCCR, municipalities are to implement cost containment measures to ensure that municipal resources are used effectively, efficiently and economically.

The MCCR further requires municipalities and municipal entities to either develop or review their cost containment policies. The City's Cost Containment policy was approved by Council at the meeting held on 29 June 2026. The cost containment policies of the City's entities have been approved by their respective board of directors.

Municipalities and municipal entities must furthermore disclose cost containment measures in their in-year budget reports, and annual costs savings in their annual reports. The cost containment in-year report tables reflected on the following pages are in adherence to this reporting requirement.

City of Cape Town

Cost Containment In-Year Report				
Category	2025/26 Current Budget	Q4 2026		Comment
		YTD Budget	YTD Actual	
	R Thousand			
Use of consultants	1 348 948	1 348 948	1 180 767	This category includes contracted services i.e. professional- and advisory services, and contractors. Consultants are used for various repairs and maintenance programs, outsourced administrative support and medical staff, and for professional- and advisory services. Requests for the use of consultants must be supported by the relevant executive director or senior manager. The YTD expenditure relates to Professional Service Providers linked to the preparation of demand plan items and for MyCity pH1 & 2 industry transformation and transition, appointment of legal advisors to represent the City in staff arbitrations. confidential forensic investigations, payment of legal fees, consultancy services for the followng projects: Workforce Development Programme, Investment Positioning, Supplier Development Programme, Enterprise Development Programme , Planning and conceptual designs, professional services for resurfacing of roads and for scoping & feasibility studies. Additionally fees paid to the Audit Committee in relation to the Audit and Perfomance Committee meetings. Furthermore, advisory services were required for Portfolio Management IT Reviews FY26, OPM Maturity Process Facilitation FY26, Strategic/Programme Execution initiative, Communication Research FY26, etc. Other expenditure is incured for health and safety inspections, mandatory inspections, load tests, medical audits, and hygiene surveys, as well as on various programmes including the Water Re-use Programme, New Water Project, Water Demand Bounce back study, Desalinations Studies (Locations), Impact of Steenbras Wellfield and the Faure New Water (re-use) Scheme. Planning, design, and monitoring of subsidised housing developments, the processing and registration of title deeds, and professional services for land use applications, stakeholder engagement to facilitate land release processes, and associated technical and structural assessments.
Vehicle used for political office-bearers	-	-	-	No provision against this category in the current financial year.
Travel and Subsistence	45 566	45 566	29 146	The City's Travel Management Policy sets out the applicable cost containment measures, which are strictly adhered to within the City. The YTD expenditure relates largely to claims submitted by staff, who do not receive an allowance for essential users or participate in a structured travel allowance, using their own vehicles for business purposes. In addition, travel expenditure including flights, accommodation, subsistence and related costs was incurred for various domestic and international business trips undertaken by officials and councillors. An international trip to the United Kingdom, to participate in the Digital Government (DIGIGOV) Expo and engage in other strategic meetings, took place from 21 September to 6 October 2025. The International Relations Team accompanied the Mayor on approved international missions to Washington, Buenos Aires and Spain. City officials undertook a trip to the UK to attend the Resilient Cities Forum in London.

Table continues on next page.

Cost Containment In-Year Report				
Category	2025/26 Current Budget	Q4 2026		Comment
		YTD Budget	YTD Actual	
	R Thousand			
Domestic Accommodation	4 349	4 349	2 121	The City's Travel Management Policy sets out the applicable cost containment measures, which are strictly adhered to within the City. Online conferences, meetings, events and training are explored or recommended first, and in-person events are approved strictly in accordance with the City's Cost Containment Policy. The YTD expenditure relates to travel costs for authorised staff who are on occasion required to attend various association's conferences countrywide e.g. AMEU (Association of Municipal Electricty Utilities) and SARPA (South African Revenue Protection Association). Sustainable Energy Markets staff attended the "Just Energy Transition" municipal council meeting in Krugersdorp and the Renewable Energy Social Ownership Models workshop in Durban.
Sponsorships, Events and Catering	230 451	230 451	195 592	Sponsorships (consisting of grants-in-aid and sponsorships): All grant-in-aid applications are subject to a screening process to ensure that allocations recommended by the relevant delegated authority comply with the City's Grant-in-aid Policy as well as other relevant policies. Sponsorships are allocations made to organisations who support the City's strategic objectives. Memoranda of Agreements, indicating clear deliverables, are signed with all organisations and payments are made in tranches based on outcomes of agreed deliverables. Events: An ad-hoc committee facilitates selection of events and makes recommendations to the Executive Mayor on which events the City may support in terms of the City's Integrated Development Plan (IDP), and Events Policy. Catering: The City's Catering & Beverage Provision Policy sets out the applicable cost containment measures, which are strictly adhered to within the City. The YTD expenditure relates largely to payments for annual- and ad hoc allocations to support specific programs/events aligned to the City's IDP and strategic objectives, such as the Cape Town Stadium, Cape BPO, Greencape, Craft & Design Institute, Shark Spotting - Baboon Management, Philippi Economic Development Initiative, Inner City Brand Project, Greater Tygerberg Partnership, Cape Innovation and Technology Initiative and the Development Action Group.
Communication	91 895	91 895	74 938	The City, as far as possible, uses newspapers with a readership base predominantly within the City's geographical area and also focuses on community newspapers. The function is centralised within the Corporate Services Directorate and is managed by the Communication Department so as to ensure stricter controls, which include the following measures: a) Reducing the number and scale of communication campaigns; b) Reducing the size and range of print- and radio advertising; c) Shifting advertising to the digital space from the traditional print and radio; and d) Increasing the use of social media as a communication tool using insourced resources. The YTD expenditure incurred relates to the psychometric assessments conducted as part of the recruitment process. Additional costs were incurred by the Communications Department, which manages advertising on behalf of the City. These costs include advertising of sub-council notices, tenders and external recruitment adverts, as well as for the procurement of City-branded items to ensure a professional and standardised appearance.

Table continues on next page.

Cost Containment In-Year Report				
Category	2025/26 Current Budget	Q4 2026		Comment
		YTD Budget	YTD Actual	
	R Thousand			
Other related expenditure items - Conferences & Seminars	3 616	3 616	1 596	The City's Systems and Procedures (SOP) for attendance of seminars, external meetings/workshops and conferences sets out cost containment measures, which are strictly adhered to within the City. The YTD expenditure relates to online events as online conferences, meetings, events and training are recommended and explored first. In-person events are approved strictly according to the City's Cost Containment Policy.
Other related expenditure items - Overtime	1 219 946	1 219 946	1 116 884	The City's Overtime Policy sets out the applicable cost containment measures, which include: a) Guidelines for administration of overtime work on Sundays and public holidays; b) Application and approval process management; c) Approval of overtime work and payment by officials with delegated authority; and d) Monitoring and reviewing provisions and justification of overtime expenditure by relevant directors. Directorates have implemented strict measures to manage overtime and closely monitor the amount of overtime operational staff may claim each month. The YTD expenditure is largely as a result of emergency overtime worked due to: 1. To ensure the quality and continuity of electrical supply to customers within the City of Cape Town supply area, at times requires the allocation of resources on a continuous basis including after-hours, public holidays and weekends in order to meet the obligations of the City of Cape Town as a utility provider. These after-hour services has been exacerbated by load theft and vandalism which has significantly increased due to the general state of the economy and unemployment. 2. The overtime expenditure incurred is primarily when staff are required to attend to emergencies on the reticulation water and sewer network as well as failures at pump stations. 3. Cleansing: The nature of this overtime is to ensure that the Cape Town and Bellville CBD's are cleaned after-hours as there is less traffic flow during these hours. 4. Collections: The nature of this overtime relates to refuse removal vehicle breakdowns resulting in overtime to ensure all waste is removed. Additionally, due to unforeseen cleansing related activities after-hours and over weekends e.g. Mechanical Street Cleaning, Clearing of fire debris & Clearing of Roadways. 5. Disposal: The nature of this overtime relates to the disposal facilities having to remain open to accomodate refuse removal vehicles to dispose of waste after-hours. 6. EAM: The nature of this overtime relates to workshops having to repair vehicles that have broken down after-hours. 7. Overtime worked by the Anti-land Invasion-, Metals Theft, and other teams that could not be covered by members in shift leading to the operations being conducted after-hours. The increase in escort requirements from other directorates, which include VIP protection for councillors and management further contributed to the expenditure. 8. Expenditure for call-out duties after working hours, staff support at weekday and weekend events, and programme implementations occurring outside regular working hours.
Other related expenditure items - Office furniture	23 730	23 730	22 165	The City's Corporate Office Furniture & Associated Equipment Policy seeks to exercise frugality by managing the utilisation of existing redundant office furniture before new office furniture may be procured. The policy stipulates that the relevant delegated official must scrutinise the City's 'used furniture inventory' depository before any new furniture is procured, and must sign a declaration form confirming that this process has been followed.
Total	**2 968 500**	**2 968 500**	**2 623 209**	

Cape Town International Convention Centre

Cost Containment In-Year Report				
Measures	2025/26 Current budget	Q4 2026 YTD Budget	Q4 2026 YTD Actual	Comment
	R Thousand			
Use of consultants	5 688	5 688	5 559	The contracts for the internal audit, governance risk and compliance, company secretary services, labour relations and customer satisfactory surveys are included in these costs. The CTICC does not possess the skillsets required in-house.
Travel and Subsistence	4 673	4 673	3 032	Bookings for local- and international travel as well as International accommodation for sales trips, events and conferences are done through an agent with the applicable National Treasury (NT) code used for bookings. Attendance of events are an integral part of the entity's business strategy to grow revenue and the attendance at the industry events and conferences are critical.
Domestic Accommodation	185	185	153	All bookings are done using the applicable NT code. Attendance of events are an integral part of the entity's business strategy to grow revenue. Additional sales calls were added during the period to attract events applicable to the CTICC.
Sponsorships, Events and Catering	753	753	152	The entity's business model is based on client relations and regular interaction with clients and conference organisations to showcase the CTICC through various Client and Stakeholder Relationship Management (CRM) events.
Communication	1 638	1 638	1 279	The company is utilising the NT transversal contract.
Other related expenditure items - Conferences & Seminars	-	-	-	No budget or expenditure for the reporting period.
Other related expenditure items - Overtime	2 191	2 191	2 534	This category includes overtime, night shift allowances and public holiday pay. Expenditure relates to events hosted over weekends and after hours requiring staff to work overtime, on public holidays and over weekends.
Other related expenditure items -Office furniture	-	-	-	No budget or expenditure for the reporting period.
Total	**15 127**	**15 127**	**12 709**	

Cape Town Stadium

Cost Containment In-Year Report				
Measures	2025/26 Current Budget	Q4 2026		Comment
		YTD Budget	YTD Actual	
	R Thousand			
Use of consultants	2 554	2 554	897	Expenditure in this category facilitates the entity's objectives, inter alia, to commercialise in terms of the Service Delivery Agreement (SDA). Expenditure incurred relates to the following consultant: **Octagon Africa (Pty) Ltd (R201k):** The primary marketing focus for the first quarter was a strategic radio campaign promoting the South Africa vs Australia Test Match. This initiative was specifically designed to drive awareness and generate sales for Business Lounge memberships. The radio campaign successfully complemented the overall marketing strategy, effectively raising interest in premium matchday experiences and contributing to increased Business Lounge membership inquiries and conversions. **Octagon Africa (Pty) Ltd (R112k):** The primary marketing focus for the second quarter focused on Business Lounge operations and stadium wayfinding. Costs included artwork development for Business Lounge promotional materials, directional signage artwork for DHL Stadium, and the design and production of wristbands used for accreditation purposes within the Business Lounge. These investments directly supported revenue-generating hospitality operations and improved the overall visitor experience at the venue. **BVI Consulting Engineers (R180k)**: Initial feasibility work for the CAPEX project in relation to the Level 3 Archiving. On completion of this CAPEX project, the space will be rented out to the City of Cape Town as archiving space for a 3-year period, on which rental income will be earned. **Exhibition at Meetings Africa 2026 (R124k)**: The Events and Marketing team exhibited DHL Stadium at the event to position the venue as a leading multipurpose facility in Africa's business events sector, with a particular focus on its conference and exhibition capabilities. **Other marketing intiatives (R91k)**: Business Lounge promotional activity including targeted social media advertising to drive hospitality sales, and the printing of marketing material including the Integrated Annual Report. **Octagon Africa (Pty) Ltd (R115k):** The quarter 4 marketing expenditure was allocated towards initiatives that directly supported revenue generation and the enhancement of the Business Lounge offering. This included the production of marketing collateral for Business Lounge sales, paid media campaigns to promote the Business Lounge, as well as entertainment and lounge enhancements for the quarterfinal event to elevate the guest experience and strengthen the hospitality offering. **EAS Infrastructure Engineers (R69k):** Initial feasibility work for the CAPEX project in relation to the Level 3 Archiving. On completion of this CAPEX project, the space will be rented out to the City of Cape Town as archiving space for a 3-year period, on which rental income will be earned. **GMS Solutions Proprietary Limited (R5k):** The entity received permission via Supply Chain Management Regulation 32 from the City to make use of the City's tender for the provision of services to conduct the necessary due diligence for all the tenders.

Table continues on next page.

Cost Containment In-Year Report				
Measures	2025/26 Current Budget	Q4 2026		Comment
		YTD Budget	YTD Actual	
	R Thousand			
Travel and Subsistence	849	849	686	The COO and the Senior Superintendant travelled to the manufacturing plant and Head Office of the nominated service provider for the design & supply of the luminaires and integration of the communication protocol (DMX- Digital Multiplex). The COO travelled to Johannesburg to attend an awards ceremony of the Project Management Institute of SA Chapter Awards, to represent the CTS Stadium as a finalist in the Project of the year award (Pitch Replacement). The COO travelled to Malaysia and Hong Kong in October 2025 to attend the WSX World Supercross Championship and the Stadium Business Asia Summit. The focus of the Malaysia trip is to gain greater insight on the build-up, impact on the field during live events and any possible mitigation methods, as CTS hosted WSX for the first time in December 2025. The focus of the Stadium Business Summit has been to embark on a networking, benchmarking and knowledge sharing effort to gain further insights on international best practices, operational innovations and enhancements in areas such as smart venue technology, cashless and contactless everything, multi-purpose design and integrated data-driven insights among other key areas. The Head: SCM travelled to Beaufort West during November 2025 to attend the 6th Annual Supply Chain Management and Local Economic Development (SCM-LED) Indaba. The SCM-LED has become a key platform to drive public procurement as a catalyst to enhance economic growth and inclusive economic development. The Manager: Commercialisation and the Head: Commercial undertook a commercial and marketing site visit to Moses Mabhida and Kings Park in Durban. The visit aimed to gain insights into the venues' commercial strategies, including hospitality offerings, food and beverage layouts, tours, conferencing, other venue-related revenue streams, and wayfinding initiatives. The Manager: Commercialisation, Public Relations & Social Media Officer and Head: Events went to Johannesburg to attend the Meetings Africa 2026 event, to showcase the DHL Stadium, as part of the venue's business development strategy. The CEO and COO attended a pitch and maintenance workshop in Johannesburg, which included the Loftus Stadium team, Turftech, Grassmax and Servest. The workshops focused on sharing experiences related to Grassmax pitch management, addressing usage challenges, and developing guidelines for the optimal hosting of multiple events, with input from Servest, Turftech, Grassmax, and SSG. In addition, a knowledge exchange with FNB Stadium included engagements with their CEO and COO to discuss ticketing platforms, access control, pitch usage, and potential commercial opportunities and alternative revenue streams. The Manager: Commercialisation, Head: Marketing, and Head: Events conducted a two-week information-gathering and knowledge-sharing study tour to the United States of America with leading venue operations. The visit focused on engaging with venue management teams to gain insights into best practices in event operations, marketing and promotions, hospitality offerings, commercial optimisation, and fan engagement. The learnings were intended to inform innovative approaches to strengthen DHL Stadium's position as a leading multi-purpose venue in South Africa.

Table continues on next page.

Cost Containment In-Year Report				
Measures	2025/26 Current Budget	Q4 2026		Comment
		YTD Budget	YTD Actual	
	R Thousand			
Domestic Accommodation	94	94	41	The COO and the Senior Superintendant travelled to the maufacturing plant and Head Office of the nominated service provider for the design & supply of the luminaires and integration of the communication protocol (DMX- Digital Multiplex). The COO travelled to Johannesburg to attend an awards ceremony of the Project Management Institute of SA Chapter Awards, to represent the CTS Stadium as a finalist in the Project of the year award (Pitch Replacement). The Manager: Commercialisation and the Head: Commercial undertook a commercial and marketing site visit to Moses Mabhida and Kings Park in Durban. The visit aimed to gain insights into the venues' commercial strategies, including hospitality offerings, food and beverage layouts, tours, conferencing, other venue-related revenue streams, and wayfinding initiatives. The Manager: Commercialisation, Public Relations & Social Media Officer and Head: Events went to Johannesburg to attend the Meetings Africa 2026 event, to showcase the DHL Stadium, as part of the venue's business development strategy. The CEO and COO attended a pitch and maintenance workshop in Johannesburg, which Included the Loftus Stadium team, Turftech, Grassmax and Servest. The workshops focused on sharing experiences related to Grassmax pitch management, addressing usage challenges, and developing guidelines for the optimal hosting of multiple events, with input from Servest, Turftech, Grassmax, and SSG. In addition, a knowledge exchange with FNB Stadium included engagements with their CEO and COO to discuss ticketing platforms, access control, pitch usage, and potential commercial opportunities and alternative revenue streams. The CEO and CFO travelled to the UK to attend the Stadium Business Summit during June 2026, in an ongoing effort to stay up to date with global business strategies and industry insights. The Head: SCM attended the Annual Smart Procurement World Conference in Rawsonville at Goudini Spa during June 2026. The conference focuses on uniting leaders to address policy, infrastructure, and energy challenges, driving sustainable growth and economic transformation.
Sponsorships, Events and Catering	194	194	111	Catering provided by Kouga Development Company t/a Circa for the CEO suite during the South Africa vs Australia Test Match, as well as the Nielsen event hosted for the Business Lounge Members during August 2025 respectively. Catering provided by Kouga Development Company t/a Circa for the quarterly staff meetings.
Communication	341	341	173	Cost was incurred to advertise the entity's tenders in various publications.
Other related expenditure items - Conferences & Seminars	-	-	-	No budget or expenditure for the reporting period.
Other related expenditure items - Overtime	2 421	2 421	1 380	Staff are required to work overtime at certain events, which at times takes place after hours and over weekends.
Other related expenditure items - Office furniture	-	-	-	No budget or expenditure for the reporting period.
Total	**6 453**	**6 453**	**3 287**	

QUALITY CERTIFICATE

I, **LUNGELO MBANDAZAYO**, the municipal manager of **CITY OF CAPE TOWN**, hereby certify that –

☐ the monthly budget statement

☒ quarterly report on the implementation of the budget and financial state affairs of the municipality

☐ mid-year budget and performance assessment

for **quarter 4 of 2026** has been prepared in accordance with the Municipal Finance Management Act (MFMA) and regulations made under that Act.

Print name ------ Lungelo Mbandazayo --------------------------------

Municipal Manager of City of Cape Town (CPT)

Digitally signed by Lungelo Mbandazayo
Date: 2026.07.07 14:09:21 +02'00'

Signature ---

Date ---

CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE B

2025/26 Q4
Corporate Performance Report

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN

Well Above **Above** **On target** **Below** **Well below** **AT - Annual Target**

IDP Objective	Key Performance Indicator	2025/2026 Quarter 4 Original Target	Mid-year Adjusted Target	Actual	Status	Motivation for Mid-year Amendment (where applicable)	Directorate and Responsible Executive Director
Priority: Economic Growth							
1. Increased Jobs and Investment in the Cape Town economy	1.A Average number of days taken to process building plan applications of less than 500 square meters (HS2.22)	25.00	25.00	23.81			**Spatial Planning and Environment** R McGaffin
		Reason for Variance: The vacancies in the department were filled in the first two quarters of the financial year. This attributed in addressing the indicator performance in the last quarter. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
	1.B Average number of days taken to process building applications of 500 square meters or more (LED3.13)	35.00	35.00	26.64			**Spatial Planning and Environment** R McGaffin
		Reason for Variance: The vacancies in the department were filled in the first two quarters of the financial year. This attributed in addressing the indicator performance in the last quarter. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
1. Increased Jobs and Investment in the Cape Town economy	1.C Percentage of revenue clearance certificates issued within 10 working days from time of completed application received (LED3.21)	93%	93%	99.52%			**Finance** K Jacoby
		Reason for Variance: The actual result was achieved mainly because of a combination of factors. 1.The revenue clearance certificate processing system in conjunction with the IT system support was very reliable. 2. All queries and system malfunctions were effectively and efficiently dealt with. 3. Manageable staff shortages were encountered. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
	1.D Council approved trading plans developed or revised for informal trading (number)	8	8	11			**Economic Growth** R Gelderbloem
		Reason for Variance: The target was exceeded due to innovation in the regularisation of trading activity within the Cape Town CBD. Five trading plans were developed and approved within the reporting year. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN

Well Above | **Above** | **On target** | **Below** | **Well below** | **AT - Annual Target**

IDP Objective	Key Performance Indicator	2025/2026 Quarter 4 Original Target	Mid-year Adjusted Target	Actual	Status	Motivation for Mid-year Amendment (where applicable)	Directorate and Responsible Executive Director
1. Increased Jobs and Investment in the Cape Town economy	1.E Average time taken to finalise informal trading permits (LED3.12)	30	24	23.30	Above	An action plan was developed to improve the City of Cape Town's Ease of Doing Business (EoDB) index implementation, and it has had implications for this indicator. Interventions were identified to streamline the process of issuing informal trading permits, and the process indicated that the average time to finalise informal trading permits could be reduced to 24 days. The improved performance in Q1 2025/2026 is further indication that this target can be reduced.	**Economic Growth** R Gelderbloem
		Reason for Variance: Exceeded the annual KPI target for LED3.12 by achieving an average permit finalisation time of 23.3 days against the target of 24 days.This result reflects efficient process management, improved turnaround times,and a continued commitment to providing timely and effective service to informal traders.. **Remedial Action:** The Department will continue to monitor permit processing times and identify opportunities for further process improvements to sustain performance below the target threshold while ensuring compliance with all permit approval requirements.					
	1.F Number of work opportunities created through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes) (LED1.21)*	30 000	35 000	32 795	Below	The proposed revised targets are based on the following:The EPWP Quarter 3 target was initially planned at 22,500 jobs but was erroneously captured as 19,500. Following a performance assessment, the Directorate proposes an improved Quarter 3 target of 27,000, based on the budget resources available as at December 2025, with October 2025 performance at 17 650 and previous financial year trends (40 053) at the end of 2023/24. In addition, the Directorate recommends increasing the annual target from 30,000 to 35,000. All EPWP KPIs will be aligned to the Corporate target, where applicable i.e Circular 88 and Key operational indicator.	**Urban Waste Management** J Mc Neil
		Reason for Variance: The result is based on provisional figures, with final figures expected on 20 July 2026. **Remedial Action:** Final verified figures will be confirmed once the year-end data is available on 20 July 2026. Any required follow-up will be considered once the final result has been validated.					
Priority: Basic Services							
2. Improved access to quality and reliable basic services	2.A Taps provided in informal settlements (number) (NKPI)	700	750	813	Above		**Water and Sanitation** L. Manus
		Reason for Variance: The overperformance is attributed to additional requests received from informal settlements that have no services or are underserved. **Remedial Action:** Continue to maintain the momentum and ensure continuous improvements.					

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN							
Well Above	Above	On target	Below	Well below	AT - Annual Target		
IDP Objective	Key Performance Indicator	2025/2026 Quarter 4					Directorate and Responsible Executive Director
		Original Target	Mid-year Adjusted Target	Actual	Status	Motivation for Mid-year Amendment (where applicable)	
2. Improved access to quality and reliable basic services	2.B Toilets provided in informal settlements (number)(NKPI)	4 000	4 000	6 505	Well Above		**Water and Sanitation** L. Manus
		Reason for Variance: Additional requests were received from newly formed areas, and certain portable flush toilets had reached the end of their lifespan and had to be condemned and replaced across the metro. **Remedial Action:** Continue to maintain the current momentum and drive continuous improvement.					
	2.C Percentage of recognised informal settlements receiving basic waste removal services (ENV3.11)	99%	99%	In Progress	In Progress		**Urban Waste Management** J Mc Neil
		Reason for Variance: In progress **Remedial Action:** In progress					
	2.D Subsidised electricity connections installed (Number) (NKPI)	1 500	1 500	2 070	Well Above		**Energy** K Nassiep
		Reason for Variance: The annual target was exceeded due to the reduction of the FY25 target. The planned meter installations that were affected by the reduction were carried over for execution in FY26. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvement					

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN

Well Above | **Above** | **On target** | **Below** | **Well below** | **AT - Annual Target**

IDP Objective	Key Performance Indicator	2025/2026 Quarter 4 Original Target	Mid-year Adjusted Target	Actual	Status	Motivation for Mid-year Amendment (where applicable)	Directorate and Responsible Executive Director
3. End load shedding in Cape Town over time	3.A Capacity of additional approved (grid tied) alternative energy sources (Small-scale embedded generation (SSEG)) MegaVolt Ampere	20	20	106.25	Well Above		**Energy** K Nassiep
		Reason for Variance: Demand/customer-driven indicator. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.					
	3. B Load-shedding level variance (%)	16%	16%	0%	Well below		**Energy** K Nassiep
		Reason for Variance: Although the result shows 0%, it should be noted that there was no loadshedding that occurred during the reporting period. No loadshedding mitigation was therefore required or implemented. **Remedial Action:** No remedial required.					
4. Well-managed and modernised infrastructure to support economic growth	4.A Sewer reticulations pipelines replaced (metres)	100 000	100 000	104 567	Above		**Water and Sanitation** L. Manus
		Reason for Variance: The overperformance can be attributed to the successful progress of planned replacement and rehabilitation works during the fourth quarter, supported by proactive programme management, contractor availability, and a continued focus on the renewal of aged and high-risk sewer assets. **Remedial Action:** Continue to maintain delivery momentum by proactively managing contractor capacity and prioritising the replacement of high-risk sewer sections to sustain programme performance.					

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN

Well Above | **Above** | **On target** | **Below** | **Well below** | **AT - Annual Target**

IDP Objective	Key Performance Indicator	2025/2026 Quarter 4 Original Target	Mid-year Adjusted Target	Actual	Status	Motivation for Mid-year Amendment (where applicable)	Directorate and Responsible Executive Director
4. Well-managed and modernised infrastructure to support economic growth	4.B Percentage of drinking water samples complying to SANS241 (WS4.1) **KPI name before Midyear amendment:** Compliance with drinking-water quality standards (%)	99%	99%	99.76%	Above	A change in the name of the KPI to align/link to C88 KPIs and to be incorporated at the Corporate Scorecard level for Water and Sanitation. Currently, although the same data is used to calculate the achievement-percentages, the methodologies differ. The current 4.B uses a risk weighted calculation method for samples taken for SANS 241 parameters. While, WS4.1 uses samples meeting the SANS241 criteria divided by the total number of water samples take	**Water and Sanitation** L. Manus
		Reason for Variance: The above target achievement can be attributed to the compliance of most drinking water samples with the SANS 241 requirements for all monitored parameters across the water treatment plants, reservoirs, and distribution system. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.					
	4.C Total augmented water capacity in mega litres per day (MLD)	55	55	In Progress	In Progress		**Water and Sanitation** L. Manus
		Reason for Variance: In Progress **Remedial Action:** In Progress					
	4.D Valid applications for residential water services closed within the response standard (%) (NKPI)	80%	85%	90.56%	Above	Aligning the Integrated Development Plan (IDP) target with the 2025/26 Water and Sanitation SDBIP target.	**Water and Sanitation** L. Manus
		Reason for Variance: The City is currently transitioning from conventional metering to smart metering through the Advanced Metering Infrastructure (AMI) Programme and remain in the stabilisation phase of the implementation. It is anticipated that performance levels will return to previously achieved standards by the next quarter as the implementation matures and operational processes become fully stabilised. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.					
	4.E Valid applications for residential sewerage services closed within the response standard (%)(NKPI)	80%	85%	90.56%	Above	Aligning the Integrated Development Plan (IDP) target with the 2025/26 Water and Sanitation SDBIP target.	**Water and Sanitation** L. Manus
		Reason for Variance: The City is currently transitioning from conventional metering to smart metering through the Advanced Metering Infrastructure (AMI) Programme and remain in the stabilisation phase of the implementation. It is anticipated that performance levels will return to previously achieved standards by the next quarter as the implementation matures and operational processes become fully stabilised. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.					

<table>
<tr><th colspan="8">2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN</th></tr>
<tr><td colspan="8">Well Above   Above   On target   Below   Well below   AT - Annual Target</td></tr>
<tr><th rowspan="2">IDP Objective</th><th rowspan="2">Key Performance Indicator</th><th colspan="4">2025/2026
Quarter 4</th><th></th><th rowspan="2">Directorate and Responsible Executive Director</th></tr>
<tr><th>Original Target</th><th>Mid-year Adjusted Target</th><th>Actual</th><th>Status</th><th>Motivation for Mid-year Amendment (where applicable)</th></tr>
<tr><td rowspan="2">4. Well-managed and modernised infrastructure to support economic growth</td><td rowspan="2">4.F Service requests for non-collection of refuse resolved within 3 days (%) (NKPI)</td><td>96%</td><td>96%</td><td>71.88%</td><td>Well below</td><td rowspan="2"></td><td rowspan="2">Urban Waste Management

J Mc Neil</td></tr>
<tr><td colspan="4">Reason for variance:
Following the Quarter 3 in depth analysis, the agreed remedial actions were implemented across all four Collections Areas. A standardised administrative process was introduced to improve the prioritisation, monitoring and timely closure of C3 service notifications, resulting in more consistent administrative practices and improved compliance with prescribed service level timelines. Consequently, performance against this indicator improved by 4.84% from Quarter 3 to Quarter 4, reflecting the positive impact of the implemented corrective measures.

Remedial action:
Continuous performance monitoring and refinement of the standardised administrative process will be undertaken to sustain these improvements. Weekly C3 performance reports are generated and distributed to all Collections Areas to monitor notifications approaching the three working-day service level agreement. The Manager: Collections conducts a weekly analysis of these reports and shares the findings with Area Management to identify trends, ensure accountability and implement corrective actions where required. Operational challenges experienced in Area East, including vehicle availability and contractor performance, have been addressed during the last month, and performance will continue to be closely monitored.</td></tr>
<tr><td rowspan="2">4. Well-managed and modernised infrastructure to support economic growth</td><td rowspan="2">4.G Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards (EE1.13)</td><td>95%</td><td>95%</td><td>76.50%</td><td>Well below</td><td rowspan="2"></td><td rowspan="2">Energy

K Nassiep</td></tr>
<tr><td colspan="4">Reason for Variance:
Performance was affected by the volume and complexity of valid customer applications received for new electricity connections. Sector benchmarking through the National Rationalised Specifications Working Group indicates that the 95% target is not being achieved by comparable municipalities, including Eskom, and was therefore overly ambitious. The target has since been revised to 80%.

Remedial Action:
The target has been revised to 80% in line with sector benchmarking and operational realities. Performance will continue to be monitored against the revised service standard.</td></tr>
</table>

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN

Well Above ✓ **Above** ● **On target** ▲ **Below** ● **Well below** ✗ **AT - Annual Target**

IDP Objective	Key Performance Indicator	2025/2026 Quarter 4 Original Target	Mid-year Adjusted Target	Actual	Status	Motivation for Mid-year Amendment (where applicable)	Directorate and Responsible Executive Director
Priority: Safety							
5. Effective law enforcement to make communities safer	5.A Drone flights used for safety and security activities (number)	1 000	3 250	4 678	Well Above	Increased demand and user adoption has driven the significant utilisation of drone services to support policing and emergency requirements. Moreover, the Safety & Security (S&S) Directorate's Festive Season plan places a strong focus on situational awareness. The drone services plays an important role in achieving good situational awareness in policing and emergency requests for service. In lieu of this, it is expected that the drone flights will increase over the festive season period, thereby impacting the overall indicator performance. The S&S Directorate are also close to achieving their Unmanned Aircraft Systems Operator Certificate (UASOC) after several arduous months of planning and preparation. This certificate will enable the activation of drone services that are internally operated by the City of Cape Town's S&S Directorate. When the certificate is issued, this internal capacity would also impact on the indicator performance.The operational need for drone services and increased adoption have resulted in significantly improved utilisation. This rise in utilisation was further driven by the requirements of the Festive Season period (spanning late November 2025 to late January 2026) and acute operational priorities. It is anticipated that the demand levels will persist for the month of January 2026 too.	**Safety and Security** V Botto
		Reason for Variance: The drone flight performance target was substantially exceeded due to the increasing adoption of drone technology across emergency response and policing functions. Operational units made greater use of aerial support to enhance situational awareness, incident management, evidence gathering, officer safety, and resource deployment. This resulted in a significantly higher volume of deployment requests than originally anticipated. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
	5.B Roadblocks focussed on drinking and driving offences (number)	700	700	960	Well Above		**Safety and Security** V Botto
		Reason for Variance: The target was exceeded due to the intensified implementation of Driving Under the Influence (DUI) enforcement operations in response to identified high-risk periods, public complaints, and road safety priorities. Additional roadblocks were conducted over weekends, public holidays, and special operations, supported by the availability of operational resources and inter-agency deployments. This proactive enforcement approach was aimed at reducing alcohol-related crashes and improving road safety, resulting in performance exceeding the annual target by 37%. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
5. Effective law enforcement to make communities safer	5.C Closed-Circuit Television (CCTV) detected incidents relayed to responders (number)	35 000	35 000	38 429	Above		**Safety and Security** V Botto
		Reason for Variance: The various CCTV Centres assisted by creating Master Service Requests (MSR) for detected CCTV incidents and assigning them to the most appropriate response units available within the department. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN							
Well Above	Above	On target	Below	Well below	AT - Annual Target		
IDP Objective	Key Performance Indicator	2025/2026 Quarter 4 Original Target	Mid-year Adjusted Target	Actual	Status	Motivation for Mid-year Amendment (where applicable)	Directorate and Responsible Executive Director
6. Strengthen partnerships for safer communities	6.A New auxiliary law enforcement officers recruited and trained (number)	150	150	159	Above		Safety and Security V Botto
		Reason for Variance: Above target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
6. Strengthen partnerships for safer communities	6.B Client satisfaction survey for neighbourhood watch support programme (%)	96%	96%	100%	Above		Safety and Security V Botto
		Reason for Variance: Above target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
Priority: Housing							
7. Increased supply of affordable, well located homes	7.A Well located land parcels released to the private sector for affordable housing (number)	10	8	7	Well below		Human Settlements N Gqiba
		Reason for Variance: 1. Khayelitsha – The property was taken to market through a Supply Chain Management (SCM)-administered competitive disposal process. No responsive bids were received; therefore, an award could not be made. 2. Bardale – The property was taken to market through a Supply Chain Management (SCM)-administered competitive disposal process. The bid evaluation process identified a recommended bidder for consideration by the Immovable Property Adjudication Committee (IPAC). However, Legal Compliance was unable to support the IPAC submission due to a misalignment between the disposal approach reflected in the Council resolution approving the in-principle disposal of the property and the disposal process subsequently followed. As a result, an award could not be made pending amendment of the relevant Council resolution. **Remedial Action:** 1. Khayelitsha – Market feedback and stakeholder input will be obtained to understand the lack of response and refine the disposal strategy before any further release to market. 2. Bardale – An amendment report will serve before Council on 30 July 2026 to align the resolution with the disposal process followed. Subject to Council approval, the adjudication report will be submitted to the Immovable Property Adjudication Committee (IPAC) for consideration. The property may contribute to the FY2026/27 target, subject to favourable Council and IPAC outcomes.					

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN

Well Above | **Above** | **On target** | **Below** | **Well below** | **AT - Annual Target**

IDP Objective	Key Performance Indicator	2025/2026 Quarter 4 Original Target	Mid-year Adjusted Target	Actual	Status	Motivation for Mid-year Amendment (where applicable)	Directorate and Responsible Executive Director
7. Increased supply of affordable, well located homes	7.B Human Settlement top structures (houses) provided (number)	2 110	2 110	2 186			**Human Settlements** N Gqiba
		Reason for Variance: The Greenville Project contributed to the overall delivery during FY 2025/26 due to exceptional contractor performance, efficient project management, and sustained construction progress throughout the year. Effective planning, proactive problem-solving, and strong collaboration between all stakeholders enabled delivery to exceed the original annual target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
	7.C Formal housing serviced sites provided (number)	2 700	2 700	2 736			**Human Settlements** N Gqiba
		Reason for Variance: Practical completion has been achieved for all sites inthe Delft ACSA Symphony Way project. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
	7.D Hectares of land acquired for human settlements in the municipal area (HS1.13)	47	16	24		Approval is hereby requested to amend the quarter 3 target to annual target to account for the lengthy acquisition process. Proposal to reduce the target from 47ha to 16ha based on a reviewed acquisition list and a prioritised acquisition industrial zoned property that is less in extent but has a higher market value than the initial agricultural zoned properties that were earmarked for acquisition. In addition, this has been the impact of adjustment budget where the land acquisition budget has been reduced from R 76 370 239 to R 70 032 086.	**Human Settlements** N Gqiba
		Reason for Variance: A Deed of Alienation for thedevolution of two properties measuring approximately 7.5ha was signed in April 2026. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
	7.E Number of title deeds registered to beneficiaries (HS1.22)	2 350	2 675	3 502		Targets for Q3 and Q4 have been adjusted upwards to align with the overperformance in Q2 as a result of the Section 137 exemption for Historical Transfers.	**Human Settlements** N Gqiba
		Reason for Variance: Council approval was obtained for the exemption of Section 137 clearance requirements on historical transfers, which enabled the acceleration of title deed registrations and contributed significantly to the over-achievement of the annual target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN							
Well Above	Above	On target	Below	Well below	AT - Annual Target		
IDP Objective	Key Performance Indicator	2025/2026 Quarter 4 Original Target	Mid-year Adjusted Target	Actual	Status	Motivation for Mid-year Amendment (where applicable)	Directorate and Responsible Executive Director
8. Safer, better quality homes in informal settlements and backyards over time	8.A Informal settlement sites serviced (number)	2 000	2 000	2 332	Well Above	During the 2024/25 financial year, the department had to replace the PSP appointed for Enkanini South. This changeover caused a delay of approximately five months, impacting the finalisation of detailed designs and secondary procurement documentation. Construction is still scheduled to commence in FY26 on serviced sites. Although the project team has managed to recover some lost time, the expected number of serviced sites will not be delivered by the end of Q3. However, the Q4 target remains unchanged.	**Human Settlements** N Gqiba
		Reason for Variance: The overachievement was achieved through the successful completion of service sites and improved monitoring during the reporting period. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.					
Priority: Public Space, Environment and Amenities							
9. Healthy and sustainable environment	9.A Percentage of biodiversity priority areas protected (ENV4.21)	65.50%	65.50%	68.24%	Above		**Spatial Planning and Environment** R McGaffin
		Reason for Variance: The conservation estate increase by 114.63 hectares (ha) for the 2025/26 financial year. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
	9.B Percentage of biodiversity priority areas within the municipality (ENV4.11)	34.18%	34.18%	33.36%	Below		**Spatial Planning and Environment** R McGaffin
		Reason for Variance: The indicator is below target due to historical losses in BioNet priority areas, mainly resulting from unlawful land occupation and related pressures on biodiversity-sensitive land. No further BioNet loss was recorded during the current financial year; however, the prior-year losses continue to affect the cumulative performance against the target. **Remedial Action:** No further BioNet loss was recorded during the current financial year. The approved revised target will be implemented in the 2026/27 financial year, with continued monitoring of BioNet priority areas to manage risks related to unlawful land occupation and other biodiversity pressures.					
	9.C Severe/Moderate dehydration in children under the age of five presenting at City health facilities with diarrhea (%)	<3.8%	<3.8%	2.2%	Well Above		**Community Services and Health** Z Mandlana
		Reason for Variance: City Health achieved a result of 2.2%, exceeding the Q4 target. This was supported by collaborative interventions between Environmental Health and Health Promotion in hotspot areas, effective use of Community-Orientated Primary Care (COPC) platforms, and ongoing community education on prevention and timely access to healthcare. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN

Well Above (✓) **Above** (●) **On target** (▲) **Below** (●) **Well below** (✕) **AT - Annual Target**

IDP Objective	Key Performance Indicator	2025/2026 Quarter 4 Original Target	Mid-year Adjusted Target	Actual	Status	Motivation for Mid-year Amendment (where applicable)	Directorate and Responsible Executive Director
10. Clean and healthy waterways and beaches	10.A Percentage of coastline with protection measures in place (ENV5.11)	6.27%	6.27%	9.59%	Well Above		**Spatial Planning and Environment** R McGaffin
		Reason for Variance: The increase in performance is due to the various coastal protection measures now instituted - notably active dune rehabilitation projects. **Remedial Action:** The target increase of this indicator will be addressed in the 2026/27 review of the 5 year and one year Corporate Scorecard process. The momentum will be maintained.					
	10.B Days in a year that Vleis are open (%)	90%	90%	In Progress	In Progress		**Water and Sanitation** L. Manus
		Reason for Variance: In Progress **Remedial Action:** In Progress					
11. Quality and safe parks and recreation facilities	11.A Recreation and Parks open space mowed according to annual mowing plan (%)	90%	90%	96.5%	Above		**Community Services and Health** Z Mandlana
		Reason for Variance: Above target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN

Well Above | **Above** | **On target** | **Below** | **Well below** | **AT - Annual Target**

IDP Objective	Key Performance Indicator	2025/2026 Quarter 4 Original Target	Mid-year Adjusted Target	Actual	Status	Motivation for Mid-year Amendment (where applicable)	Directorate and Responsible Executive Director
Priority: Transport							
12. A sustainable transport system that is integrated, efficient and provides safe and affordable travel options for all	12.A Passengers transported for each scheduled kilometre travelled by MyCiTi buses (ratio)	1.02	1.02	1.03			**Urban Mobility** R Melody
		Reason for Variance: Above target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
	12.B Passenger journeys travelled on MyCiTi buses (number)	19 900 000	19 900 000	19 809 603			**Urban Mobility** R Melody
		Reason for Variance: Passenger journeys increased at a slower rate than anticipated and remained slightly below the annual target. Ridership was affected by service reliability challenges, including bus shortages, vehicle breakdowns and reduced reliability on the N2 Express service. In addition, severe weather conditions on 11 and 12 May 2026 resulted in school and office closures, restricted movement and reduced public transport use in affected areas, with an estimated cumulative loss of approximately 51 000 passengers. These factors negatively affected quarter 4 performance and contributed to the year-end shortfall. **Remedial Action:** In May 2026, 14 additional buses were deployed on the N2 Express service to improve service reliability, allow for repairs and maintenance of existing buses, support the operation of scheduled trips and assist with the recovery of passenger numbers.					
12. A sustainable transport system that is integrated, efficient and provides safe and affordable travel options for all	12.C Road corridors on which traffic signal timing plans are updated (number)	5	5	6			**Urban Mobility** R Melody
		Reason for Variance: The team continued to leverage efficiencies gained through forward planning and addressing potential issues proactively. This enabled accelerated delivery. Team members also committed additional hours when required to ensure timely completion. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN

Well Above **Above** **On target** **Below** **Well below** **AT - Annual Target**

IDP Objective	Key Performance Indicator	2025/2026 Quarter 4					Directorate and Responsible Executive Director
		Original Target	Mid-year Adjusted Target	Actual	Status	Motivation for Mid-year Amendment (where applicable)	
13. Safe and quality roads for pedestrians, cyclists and vehicles	13.A Surfaced road resurfaced (kilometres)	110	155	190.08		Additional budget for road resurfacing and resealing was allocated in the approved budget for 25/26 at the start of the financial year.	**Urban Mobility** R Melody
		Reason for Variance: The late change from resurfacing to the more cost-effective reseal treatment in the Goodwood area, coupled with an underestimation of the impact of the additional R150 million budget in the January SDBIP target adjustment, enabled us to resurface and reseal more kilometers of road than originally anticipated. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.					
	13.B Number of potholes reported per 10kms of municipal road network	56	56	17.78			**Urban Mobility** R Melody
		Reason for Variance: Overachievement is attributed to the number of potholes reported not within the municipalities control. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.					
Priority: A Resilient City							
14. A Resilient City	14.A Public safety awareness and preparedness sessions held in the communities (number)	550	550	619			**Safety and Security** V Botto
		Reason for Variance: Additional public awareness and early warning messages were conducted in response to severe weather warnings issued by the South African Weather Service (SAWS). **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN							
Well Above	Above	On target	Below	Well below	AT - Annual Target		
IDP Objective	Key Performance Indicator	2025/2026 Quarter 4				Motivation for Mid-year Amendment (where applicable)	Directorate and Responsible Executive Director
		Original Target	Mid-year Adjusted Target	Actual	Status		
14. A Resilient City	14.B New Disaster Risk Management volunteers recruited (number)	65	65	135	Well Above		**Safety and Security** V Botto
		Reason for Variance: Recruitment and appointment of volunteers was concluded in Quarter 1. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
4. A Resilient City	14.C Storm water cleaning budget spend (%)	90%	90%	96.68%	Above		**Urban Mobility** R Melody
		Reason for Variance: Districts focused on maximising stormwater expenditure in FY26 to ensure optimal winter readiness. This contributed to the overachievement in Quarter 4. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.					
Priority: A more spatially integrated and inclusive city							
15. A more spatially integrated and inclusive city	15.A Local neighbourhood development plans approved for mixed-use development (number)	3	3	3	On target		**Spatial Planning and Environment** R McGaffin
		Reason for Variance: On target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
Priority: A Capable and Collaborative City Government							
16. A Capable and Collaborative City Government	16.A Community satisfaction City-wide survey (score 1–5)	3.1	3.1	3	Below		**Future Planning and Resilience** G Morgan
		Reason for Variance: The target was set above the 0.2-point improvement expected from the previous baseline. Although the target was not fully achieved, the actual score of 3 reflects a positive improvement from the baseline and falls within the expected 0.2-point improvement range. This indicates progress in the Community Satisfaction Score (CSS), despite the stretch target not being reached. **Remedial Action:** Although the Community Satisfaction Score (CSS) improved from the baseline, additional focus will be placed on departmental initiatives that enhance community experience and engagement. Feedback trends will be monitored continuously, with targeted action plans implemented to accelerate progress toward the stretch target.					

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN

Well Above ✓ **Above** ● **On target** ▲ **Below** ● **Well below** ✗ **AT - Annual Target**

IDP Objective	Key Performance Indicator	2025/2026 Quarter 4 Original Target	Mid-year Adjusted Target	Actual	Status	Motivation for Mid-year Amendment (where applicable)	Directorate and Responsible Executive Director
16. A Capable and Collaborative City Government	16.B Opinion of independent rating agency	High investment rating	High investment rating	High investment rating	On target		**Finance** K Jacoby
		Reason for Variance: On target. The investment rating achieved was a Positive Outlook, Long Term: Ba2/Aa2.za and Short Term: NP/P-1.za –Global and National Scale Ratings. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
	16.C Audit Outcome (GG3.1)	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	On target		**Finance** K Jacoby
		Reason for Variance: On target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
	16.D Total Capital Expenditure as a percentage of Total Capital Budget	90.00%	90.00%	87.00%	Below	Alignment to adjustment budget	**Finance** K Jacoby
		Reason for Variance: Actual Capital expenditure figures and Contingencies are provisional. **Remedial Action:** No remedial action required..					
	16.E Cash/cost coverage ratio (NKPI) ~~(FM3.11)~~	1.25:1	1.70:1	2.95	Well Above	Delink CSC indicator 16.E from C88 indicator FM3.11	**Finance** K Jacoby
		Reason for Variance: Figures are based on June 2026 provisional data and are subject to change upon closure of the FY 2025/26 financial year. **Remedial Action:** No remedial action required.					

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN							
Well Above	Above	On target	Below	Well below	AT - Annual Target		
IDP Objective	Key Performance Indicator	2025/2026 Quarter 4					Directorate and Responsible Executive Director
		Original Target	Mid-year Adjusted Target	Actual	Status	Motivation for Mid-year Amendment (where applicable)	
16. A Capable and Collaborative City Government	16.F Net Debtors to annual income (NKPI)	18.70%	17%	10.00%	Above	Alignment to adjustment budget	**Finance** K Jacoby
		Reason for Variance: Figures are based on June 2026 provisional data and are subject to change upon closure of the FY 2025/26 financial year. **Remedial Action:** No remedial action required.					
	16.G Debt (total borrowings) to total operating revenue (NKPI) ~~(FM2.1)~~ **KPI name before mid-year update:** Percentage of total operating revenue to finance total debt (Total debt (Borrowing) / Total operating revenue)	43.30%	18.52%	15.83%	Above	Delink CSC indicator 16.G from C88 indicator FM2.1Delink CSC indicator 16.G from C88 indicator FM2.1Section 18(1)(a) of the MFMA requires that the annual budget must only be funded from realistic anticipated revenues. The purpose of this ratio is to test whether sufficient revenue is generated to meet liability repayments. However, the current C88 formula ignores the requirement of section 18 by assuming that all billed revenue will convert to cash inflows and excludes the impairment of receivables.	**Finance** K Jacoby
		Reason for Variance: Figures are based on June 2026 provisional data and are subject to change upon closure of the FY 2025/26 financial year. **Remedial Action:** No remedial action required.					
	16.H Kilometres of fibre infrastructure for broadband connectivity installed (kilometres)	Removed	Removed	Removed	Removed		**Corporate Services** E Sass
		Reason for Variance: This key performance indicator was removed from the corporate scorecard during the 2023/2024 amendment period. **Remedial Action:** No further action.					

2025/2026 QUARTER 4 CORPORATE PERFORMANCE REPORT - CITY OF CAPE TOWN

Well Above ✓ **Above** ● **On target** ▲ **Below** ● **Well below** ✗ **AT - Annual Target**

IDP Objective	Key Performance Indicator	2025/2026 Quarter 4 Original Target	Mid-year Adjusted Target	Actual	Status	Motivation for Mid-year Amendment (where applicable)	Directorate and Responsible Executive Director
16. A Capable and Collaborative City Government	16.I Employees from the employee equity (EE) designated groups in the three highest levels of management (%)(NKPI)	76%	76%	77.01%	Above		**Future Planning and Resilience** G Morgan
		Reason for Variance: Above target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
	16.J Budget spent on implementation of Workplace Skills Plan (%) (NKPI)	95%	95%	102.31%	Above		**Corporate Services** E Sass
		Reason for variance: Note: These are still provisional figures. The City of Cape Town successfully exceeded its 95% WSP Budget target, achieving 102.31% as at 30 June 2026. Total WSP Budget was R 188 152 723. Actual spent at 30 June was R 192 498 569. The variance is R 4 345 846. **Remedial Action:** Continue to maintain the momentum and ensure ongoing improvements.					
	16.K Percentage of official complaints responded to through the municipal complaint management system (GG2.31)	90%	90%	91.70%	Above		**Corporate Services** E Sass
		Reason for Variance: The actual is over by 1.70%. This is as a result of proactive initiatives that CR has put in place to continuously monitor and report on the performance of the indicator. **Remedial Action:** No remedial action is required as this is a positive outcome - but the Directorate will continue to work towards the attainment of the 90% target as set out.					

ANNEXURE C

Western Cape Financial Management Capability Grant

Non-financial Quarterly Return Form

Western Cape Government

2025/26 WESTERN CAPE FINANCIAL MANAGEMENT CAPABILITY GRANT (WC FMCG)

NON-FINANCIAL QUARTERLY RETURN FORM

(01 APRIL TO 30 JUNE 2026)

PROGRESS ON PROJECT FUNDING ROLLED OVER

Project Name	External Financial Support for Learners and Unemployed Youth
Project Development Objective	The City's External Financial support programme offers Financial support to learners and unemployed youth to create opportunities to further their studies and gain qualifications in the approved scarce and critical skills identified within the City. This opportunity caters for students who are residents of Cape Town and registered at accredited academic institutions within the borders of South Africa, including TVET colleges as per the ETD policy framework. The External Financial Support programme will provide a pipeline of applicants for placement into positions, which have proven to be difficult to fill. This in turn contribute towards reducing youth unemployment, long – term economic growth and good governance.
Project Performance Indicator(s) and Target(s) for quarter under review	100%

Original Allocation (2025/26)	Amount rolled over (2025/26)	Amount spent for quarter ending 03	% YTD
100 517.00	**0.00**	**100 517.00**	**100%**

Progress to date:

Two (2) External Financial Support recipients are continuing with their studies doing their final year. They are: Curdwill Booysen and Emily Bruintjies, all indications are that both EFS recipients will complete their studies this year.

Challenges:

We face challenges in communication with financial support recipients as they change numbers and emails without informing the HR Training Department. The delay in timeous submission of invoices for study fees as well as supporting documentation for allowances makes it difficult to process payments speedily. Not sorting out Tax clearance and Declaration of Interests by the institutions delay the payment process. Institutions not complying with the City's Supply Chain Requirements delay payments.

Actions Taken:

External bursars are encouraged to update their biographical information and contact details to assist the EFS administrators to regularly communication with them. Additional measures we put in place with our recipients are briefing sessions, regular meetings with the institutions to inform them of the City of Cape Town's communication, payment and related requirements.

Potential Risks:

A delay in payments will result in external bursars not being able to register in time, as well as not receiving their results and qualification certificate. Non-compliance to City' SCM processes

2025/26 WESTERN CAPE FINANCIAL MANAGEMENT CAPABILITY GRANT (WC FMCG)

NON-FINANCIAL QUARTERLY RETURN FORM

(01 APRIL TO 30 JUNE 2026)

FINANCIAL MANAGEMENT PROJECT

External Financial Support for Learners and Unemployed Youth. The City's External Financial support programme offers financial support to learners and unemployed youth is to create opportunities to further their studies and gain qualifications in the approved scarce and critical skills identified within the City. This opportunity caters for students who are residents of Cape Town and registered at accredited academic institutions within the borders of South Africa, including TVET colleges as per the ETD policy framework. The External Financial Support programme will provide a pipeline of applicants for placement into positions, which have proven difficult to fill. This in turn contributes to long – term economic growth and good governance.

Planned activities and outputs to date

Inputs/Activities	Outputs	Performance Indicators	Delivery Date	Achieved (Y/N)
Administration of External Financial Support and utilize Grant allocation: Contract signing; Creation of Staff Number, Payment of tuition fees, Allocation of Mentors	100%Grant Budget Expenditure; Payment of tuition fees Completion of studies & qualification	**Quarterly reporting**	**31 May 2026**	**Y**

Challenges:

We face challenges in communication with financial support recipients as they change numbers and emails without informing the HR Training Department. The delay in timeous submission of invoices for study fees as well as supporting documentation for allowances makes it difficult to process payments speedily. Not sorting out Tax clearance and Declaration of Interests by the institutions delay the payment process. Institutions not complying with the City's Supply Chain Requirements delay payments

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FINANCIAL MANAGEMENT PROJECT

WESTERN CAPE FINANCIAL MANAGEMENT CAPABILITY GRANT (WC FMCG) NON-FINANCIAL QUARTERLY RETURN FORM

(01 APRIL TO 30 June 2026)

2025/26 EXTERNAL BURSARY PROGRAMME

No.	Candidate Name & Surname	ID Number	Gender	Race	Field of Study	Current Academic Year of Study (1st, 2nd, 3rd, 4th)	Learning Institution	Previous years' academic performance (Below 50%, 51 – 60%, 61-70%, 71 – 80%, 81 – 90%, 90%+)	Study Fees		
									Amount Allocated From Grant (R)	Co-Funding Provided By Municipality (R)	Total Course Fees
STUDENTS CURRENTLY BEING SUPPORTED THROUGH THE EXTERNAL BURSARY PROGRAMME											
1.	**Curdwill Booysen**	**0412165111086**	**M**	**C**	**Bachelor of Accounting**	**Final**	**Boston College**	**100%**	**R54 775.00**	**R0.00**	**R54 775.00**
2.	**Emily Bruitjies**	**0302110108081**	**F**	**C**	**Bcom Accounting**	**Final**	**University of Western Cape**	**100%**	**R45 742.00**	**R6 588.00**	**R52 330.00**
PROGRESS TO DATE											

1. Curdwill Booysen - additional attachment of proof of payment is also attached – No further motivation as he has passed his modules.
2. Emily Bruintjies **-** additional attachment of proof of payment is also attached – No further motivation as she has passed her modules

Digitally signed by JJ van der Merwe
Date: 2026.06.12 16:28:31 +02'00'

Andre Kermis

Digitally signed by Andre Kermis
Date: 2026.06.08 12:13:18 +02'00'

Head Corporate Project

Andre Kermis

Justice Nedzamba Acting Director: Human Resource

Digitally signed by Justice Nedzamba Acting Director: Human Resource
Date: 2026.06.19 18:23:39 +02'00'

Director Human Resources

Bevan Van Schoor

Nonzuzo Ntubane

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Date: 2026.06.15 22:02:56 +02'00'

Manager Training and Development

Nonzuzo Ntubane