CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

DATE:

REPORT TO: COUNCIL

NON-CONFIDENTIAL

1. ITEM NUMBER

2. SUBJECT

QUARTERLY FINANCIAL REPORT: DECEMBER 2025
(LSUA1980)

ONDERWERP
KWARTAALLIKSE FINANSIËLE VERSLAG: DESEMBER 2025

ISIHLOKO
INGXELO YEMALI YARHOQO NGEKOTA: EYOMNGA 2025

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 31 December 2025.

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 31 December 2025 is submitted for information and noting only.

AANBEVELING

a) Die kwartaallikse finansiële verslag vir die kwartaal geëindig 31 Desember 2025 word slegs ter inligting en kennisname voorgelê.

ISINDULULO

a) INgxelo yeMali yaRhoqo ngeKota yekota ephele ngowama- 31 eyoMnga 2025 ingeniselwa iinjongo zolwazi nokuqatshelwa kuphela.

ANNEXURES

Annexure A: Quarterly Financial Report (MFMA S52) – 31 December 2025
Annexure B: 2025/26 Q2 Corporate Performance Report

FOR FURTHER DETAILS CONTACT

NAME	CARL STROUD	CONTACT NUMBER	082 922 8990
E-MAIL ADDRESS	CARL.STROUD@CAPETOWN.GOV.ZA		
DIRECTORATE	FINANCE	FILE REF NO	CV 2492
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

CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE A

QUARTERLY FINANCIAL REPORT

(MFMA S52)

DECEMBER 2025 – QUARTER 2

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 31 DECEMBER 2025

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 ‘2024/25 Provisional Outcome’ columns in the ensuing tables have been populated with pre-audited figures and are provisional where final figures are not available yet.

SUMMARY OF CONTENT

- **Key Data (Page 5 - 44)**
  This section of the report includes certain Key Financial Performance Indicators for the City.

- **In Year Budget Statement Tables (Page 45 – 51)**
  This section provides the City's key tables in the format prescribed by the MBRR.
  - **Table C1 (Page 45):** High level summation of the operating and capital budgets, actuals to date, financial position and cash flow.
  - **Table C2 (Page 46):** Overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.
  - **Table C3 (Page 47):** Budgeted financial performance in relation to the revenue and expenditure as well as the operating surplus or deficit.
  - **Table C4 (Page 48):** View of the budgeted financial performance in relation to the revenue by source and expenditure by type.
  - **Table C5 (Page 49):** 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.
  - **Table C6 (Page 50):** Performance to date in relation to the financial position of the municipality.
  - **Table C7 (Page 51):** Cash flow position and cash/cash equivalents.

- **In Year Budget Statement Supporting Tables (Page 52 – 102)**
  This section provides the City's supporting tables in the format prescribed by the MBRR.

- **Municipal Cost Containment Regulations (MCCR) (Page 104 – 111)**

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)	64 797 672	33 782 627	34 939 820	1 157 193	65 377 541
Total Expenditure (excl. water inventory)	65 342 372	30 594 385	29 731 315	(863 070)	64 955 622
Surplus/(Deficit)	**(544 699)**	**3 188 243**	**5 208 506**	**2 020 263**	**421 919**

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	13 536 948	5 358 372	5 061 782	(296 590)	13 475 562

FINANCIAL POSITION

Working Capital	Provisional 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	-	-	2.57:1
Liquidity				
Current Ratio (Current assets/current liabilities)[4]	1.75	1.55	1.46	2.18
Borrowing				
Capital Charges to Operating Expenditure (Interest & principal paid/Operating Expenditure)[5]	-2.86%	3.60%	3.58%	3.14%
Borrowed funding of 'own' capital expenditure (Borrowings/Capital expenditure excl. transfers and grants)[6]	86.87%	55.51%	51.69%	47.37%
Financial Position (R'Thousands)[7]				
Total Assets	99 513 559	110 765 156	112 721 402	104 945 434
Total Liabilities	26 697 052	37 225 107	39 172 384	25 472 204
Cash Flow (R'Thousands)				
Cash/cash equivalents at month/year end	10 576 530	6 340 418	7 622 355	13 813 797

- **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 2.57 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 2.18:1 shows that the City has sufficient cash to meet its short-term financial obligations as it exceeds 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 3.14% and is below the National Treasury norm of 6% to 8% (MFMA Circular 71). The ratio is budgeted at 3.58% 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 51.69% resulting from the budgeted uptake of external borrowing over the 2025/26 financial period. The ratio outcome is 47.37% 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 814 million as at 31 December 2025. 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	589 474	96 808	1 938 495	2 624 777
Electricity	891 965	70 505	751 857	1 714 327
Rates	808 259	108 843	1 354 516	2 271 619
Sewerage	299 717	42 902	743 838	1 086 457
Refuse	119 246	22 387	459 825	601 459

The 12-months moving average YTD collection ratio (reflected in the table below) is for the period January 2025 to December 2025 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	98.58%	100.03%	101.07%	118.75%
Water	93.98%	91.46%	89.01%	88.24%
Sewerage	96.44%	96.29%	94.17%	95.56%
City-Wide Cleaning	0.00%	84.09%	84.09%	98.75%
Refuse	96.17%	95.65%	95.26%	96.68%
Rates	98.36%	97.98%	99.33%	108.52%
Other	94.43%	98.21%	96.96%	109.37%

The overall collection ratio results for December 2025 are reflected in the table below:

Overall Collection Ratio	
Period	**Current year**
12 Months	97.91%
6 Months	98.50%
3 Months	99.13%
Monthly	102.78%

The 12 Months Moving Average Payment Ratio (as per the above table) for the 12 months ended 31 December 2025 is 97.91%.

Human Resources

Human Resources	Provisional Outcome 2024/25	Original Budget 2025/26	Adjusted Budget 2025/26	YearTD actual 2025/25
Employee and Councillor remuneration **(R'Thousands)**	18 715 426	21 086 819	21 093 531	10 126 090
Employee Costs (Employee costs/Total Revenue - capital revenue)	27.7%	29.5%	29.5%	26.8%
Total Cost of Overtime **(R'Thousands)**	1 030 426	1 024 125	1 037 938	512 031

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 91.

Staff Complement

Municipal Employees (numbers)	Staff Establishment as at 1 July 2025	December 2025
Filled posts - Permanent	28 239	30 214
Filled posts - Temporary	2 104	2 236
Vacant posts - Permanent	4 219	3 510
	34 562	**35 960**

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	December 2025
Municipal Councillors	231	230
Municipal Councillors - Vacancies	-	1
	231	**231**

The City had 3510 vacancies as at 31 December 2025; 6477 positions were filled (2030 internal, 882 external, 922 rehire, 2567 EPWP) with 790 terminations processed since the start of the financial year. 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 30 November 2025			Staff Movement for period 1 to 31 December 2025								Staff Establishment 31 December 2025			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	**368**	**R 331 745 554**	**3.26%**	3	2	0	0	5	2	0	2	**317**	**R 287 561 994**	**2.44%**	The vacancy rate in OCM has decreased from 3.26% to 2.44% as at the end of December 2025. During December 2025, the Directorate confirmed 5 appointments with a further 7 appointments anticipated for January 2026 to February 2026.
Community Services & Health	**5998**	**R 2 823 962 356**	**3.20%**	15	65	72	50	202	14	27	41	**5045**	**R 2 539 722 040**	**3.55%**	The vacancy rate has slightly increased from 3.2% at the end of November 2025 to 3.55% at the end of December 2025. This is well below the Corporate target vacancy rate of 10%. The Directorate reported 41 terminations and made 80 appointments (internal and external) for the reporting period under review. The Directorate has currently 519 vacancies of which 302 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.

Table continues on next page.

Directorate	Staff Establishment 30 November 2025			Staff Movement for period 1 to 31 December 2025								Staff Establishment 31 December 2025			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	
Corporate Services	**2701**	**R 1 871 434 012**	**5.48%**	21	6	4	-1	30	2	14	16	**2299**	**R 1 657 953 654**	**4.88%**	The Directorate's vacancy rate has decreased from 5.48% to 4.88%. 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 12 months are being prioritised for urgent filling. - In addition, the Directorate is critically analysing vacancies aged between 12 and 24 months to determine whether they should be repurposed or abolished if they are no longer required by departments. At present, there are only six positions older than 24 months, which are actively monitored. - 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 30 November 2025			Staff Movement for period 1 to 31 December 2025								Staff Establishment 31 December 2025			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	**392**	**R 336 037 741**	**4.59%**	2	5	0	3	10	0	0	0	**352**	**R 314 618 162**	**3.83%**	The Directorate currently has a vacancy rate of 3.83%, reflecting a notable decrease from the previous month. A number of positions are in various stages of the R&S process. 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	**2795**	**R 1 557 951 888**	**4.65%**	32	9	2	0	43	4	7	11	**2527**	**R 1 443 984 048**	**5.04%**	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 due to internal appointments, but a focused approach is followed to reduce the number of vacancies.

Table continues on next page.

Directorate	Staff Establishment 30 November 2025			Staff Movement for period 1 to 31 December 2025								Staff Establishment 31 December 2025			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	
Finance	**1851**	**R 1 137 305 385**	**1.89%**	13	4	0	1	18	4	4	8	**1759**	**R 1 088 747 372**	**2.22%**	Bulk interviews and a pool of alternative appointments are the options to assist with rapid filling of vacancies.
Future Planning & Resilience	**386**	**R 413 827 572**	**4.40%**	1	0	1	0	2	0	0	0	**349**	**R 380 870 020**	**3.62%**	The vacancy rate has decreased from 4.40% to 3.62%. For the month under review the Directorate confirmed 2 appointments with a further 10 appointments anticipated for January 2026 to February 2026.

Table continues on next page.

Directorate	Staff Establishment 30 November 2025			Staff Movement for period 1 to 31 December 2025								Staff Establishment 31 December 2025			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	
Human Settlements	**955**	**R 554 228 614**	**4.71%**	7	0	1	71	79	0	3	3	**824**	**R 492 259 353**	**5.16%**	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.

Directorate	Staff Establishment 30 November 2025			Staff Movement for period 1 to 31 December 2025								Staff Establishment 31 December 2025			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	**7585**	**R 3 281 325 374**	**6.63%**	22	22	65	11	120	16	25	41	**5558**	**R 2 671 628 716**	**6.53%**	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 (Referred to as RECAP). There are currently 52 positions being filled via the RECAP process and will significantly reduce the vacancy rate, especially consequential vacancies.

Table continues on next page.

Directorate	Staff Establishment 30 November 2025			Staff Movement for period 1 to 31 December 2025								Staff Establishment 31 December 2025			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	
Spatial Planning & Environment	**1126**	**R 837 892 542**	**7.46%**	9	5	1	54	69	3	4	7	**1008**	**R 778 629 734**	**7.55%**	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 the turnaround time, reduce vacancy age profile and enable fast-tracking of filling relevant positions.
Urban Mobility	**2089**	**R 1 064 723 343**	**4.40%**	17	4	2	1	24	1	9	10	**1902**	**R 977 942 235**	**5.46%**	The vacancy rate has increased from 4.40% to 5.46%. There is a large number of posts currently in the R&S process at the following stages: HR300s to be initiated - 16 HR300s in process - 22 HR300s with R&S - 32 Advert stage - 16 Shortlisting - 7 Assessment - 4 Interview - 31 Notice of Appointment - 37 The two HR Business Partners work closely with Corporate HR, R&S. The Directorate's Support Service Managers constantly follow up on outstanding matters regarding vacancies. Many vacant positions are filled with internal staff which results in consequential vacancies. The Directorate is in 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.

Table continues on next page.

Directorate	Staff Establishment 30 November 2025			Staff Movement for period 1 to 31 December 2025								Staff Establishment 31 December 2025			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 Waste Management	**4104**	**R 1 408 194 299**	**14.96%**	15	162	76	158	411	3	11	14	**3717**	**R 1 283 754 973**	**7.17%**	The increase in the vacancy rate during the previous period was due to the creation of positions for the cleaning of main arterials within the Cleansing Branch. The directorate has made significant progress in filling these vacancies, resulting in a decrease from 14.96% in November 2025 to 7.17% for the current period under review. In January 2026, a total of 42 appointments were made, with the remaining appointments for main arterial cleansing anticipated for February 2026 to March 2026. There is a continued focus on filling senior and critical vacancies within the directorate to further reduce the vacancy rate.

Table continues on next page.

Directorate	Staff Establishment 30 November 2025			Staff Movement for period 1 to 31 December 2025								Staff Establishment 31 December 2025			Progress of vacancies and actions to reduce number of vacant posts
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	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	**5355**	**R 2 558 046 218**	**7.60%**	56	16	18	6	96	1	20	21	**4557**	**R 2 284 024 071**	**7.98%**	The vacancy rate within the Water & Sanitation Directorate has shown a marginal increase from the previous month, due to terminations, retirements, resignations, consequential vacancies 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	**35705**	**R 18 176 674 897**	**6.43%**	213	300	242	354	1109	50	124	174	**30214**	**R 16 201 696 372**	**5.68%**	

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	5 045	546	519	302	**217**	**6 110**	**3.55%**
Corporate Services	2 299	229	178	46	**132**	**2 706**	**4.88%**
Economic Growth	352	1	39	24	**15**	**392**	**3.83%**
Energy	2 527	6	262	121	**141**	**2 795**	**5.04%**
Finance	1 759	21	71	30	**41**	**1 851**	**2.22%**
Future Planning and Resilience	349	13	25	11	**14**	**387**	**3.62%**
Human Settlements	824	21	104	55	**49**	**949**	**5.16%**
Office of the City Manager	317	35	17	8	**9**	**369**	**2.44%**
Safety and Security	5 558	1 321	773	273	**500**	**7 652**	**6.53%**
Spatial Planning and Environment	1 008	9	109	24	**85**	**1 126**	**7.55%**
Urban Mobility	1 902	18	169	55	**114**	**2 089**	**5.46%**
Urban Waste management	3 717	-	465	165	**300**	**4 182**	**7.17%**
Water and Sanitation	4 557	16	779	352	**427**	**5 352**	**7.98%**
Total	**30 214**	**2236**	**3510**	**1 466**	**2 044**	**35 960**	**5.68%**

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	180	171	133	29	4	2	0	**519**
Corporate Services	30	32	64	40	10	1	0	**177**
Economic Growth	7	8	15	5	3	1	0	**39**
Energy	80	51	84	43	4	0	0	**262**
Finance	25	15	24	7	0	0	0	**71**
Future Planning & Resilience	2	0	5	15	3	0	0	**25**
Human Settlements	32	26	21	21	4	1	0	**105**
Office of the City Manager	2	2	9	2	1	1	0	**17**
Safety And Security	92	436	212	29	3	1	0	**773**
Spatial Planning And Environment	23	15	38	28	3	2	0	**109**
Urban Mobility	69	57	14	23	4	2	0	**169**
Urban Waste Management	303	95	41	23	2	1	0	**465**
Water & Sanitation	349	240	135	50	5	0	0	**779**
Total	**1194**	**1148**	**795**	**315**	**46**	**12**	**0**	**3510**

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	310	84	86	39	519	24.1%
Corporate Services	122	31	18	6	177	13.6%
Economic Growth	22	9	6	2	39	20.5%
Energy	139	58	44	21	262	24.8%
Finance	65	6	0	0	71	0.0%
Future Planning & Resilience	24	1	0	0	25	0.0%
Human Settlements	64	18	19	4	105	21.9%
Office of the City Manager	13	1	2	1	17	17.6%
Safety & Security	476	135	127	35	773	21.0%
Spatial Planning & Environment	72	13	13	11	109	22.0%
Urban Mobility	121	35	11	2	169	7.7%
Urban Waste management	338	52	31	44	465	16.1%
Water & Sanitation	472	102	115	90	779	26.3%
Grand Total	**2 238**	**545**	**472**	**255**	**3 510**	**20.7%**

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	64 797 672	33 782 627	34 939 820	1 157 193	65 377 541
Total Expenditure (excl. water inventory)	65 242 663	65 342 372	30 594 385	29 731 315	(863 070)	64 955 622
Surplus/(Deficit)	**(544 699)**	**(544 699)**	**3 188 243**	**5 208 506**	**2 020 263**	**421 919**

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	12 562 142	12 449 334	112 808	0.9%	23 663 555
Service charges - Water	5 776 241	5 776 241	2 793 459	2 790 742	2 718	0.1%	5 868 665
Service charges - Waste Water Management	2 966 006	2 966 006	1 478 259	1 443 336	34 923	2.4%	2 963 426
Service charges - Waste management	1 658 640	1 658 640	798 187	826 618	(28 431)	-3.4%	1 610 811
Sale of Goods and Rendering of Services	816 579	816 579	410 591	374 718	35 873	9.6%	732 137
Agency services	302 874	302 874	146 612	151 437	(4 825)	-3.2%	302 874
Interest	–	–	–	–	–	-	–
Interest earned from Receivables	339 731	339 731	172 353	164 544	7 808	4.7%	329 033
Interest from Current and Non Current Assets	758 522	758 522	907 944	379 141	528 803	139.5%	1 309 154
Dividends	–	–	–	–	–	-	–
Rental from Fixed Assets	494 307	494 307	274 782	247 519	27 263	11.0%	495 960
Licence and permits	205	205	517	103	414	403.8%	486 882
Special rating levies	494 107	494 107	247 543	240 979	6 564	2.7%	205
Operational Revenue	423 376	423 376	224 170	202 751	21 419	10.6%	391 276
Non-Exchange Revenue							
Property rates	13 768 100	13 768 100	6 832 483	6 721 049	111 434	1.7%	13 918 100
Surcharges and Taxes	–	–	–	–	–	-	–
Fines, penalties and forfeits	1 878 556	1 878 556	1 083 084	666 507	416 577	62.5%	1 905 299
Licence and permits	50 301	50 301	22 715	26 515	(3 800)	-14.3%	47 909
Transfers and subsidies - Operational	7 329 561	7 429 270	4 612 047	4 681 122	(69 076)	-1.5%	7 356 104
Interest	98 675	98 675	63 869	49 337	14 532	29.5%	98 675
Fuel Levy	2 851 776	2 851 776	1 901 184	1 901 184	–	-	2 851 776
Operational Revenue	906 078	906 078	380 851	435 957	(55 106)	-12.6%	769 510
Gains on disposal of Assets	70 772	70 772	14 269	4 735	9 534	201.4%	84 226
Other Gains	6 084 343	6 084 343	2 521 262	2 395 346	125 916	5.3%	6 226 308
Total Revenue (excluding capital transfers and contributions)	**70 732 307**	**70 832 016**	**37 448 322**	**36 152 973**	**1 295 349**	**3.6%**	**71 411 884**

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 (R112,8 million over)**
  The variance is due to changes in the Time-of-Use (TOU) periods in line with Eskom periods, which resulted in misalignment between the period budget provision and actual billings to date.

- **Service charges - Waste Water Management (R34,9 million over)**
  The variance reflects mainly on:
  - Sewerage Sales Volumetric - Domestic Full (over), as the volumetric usage was slightly higher than anticipated.
  - Fixed basic charge Sewerage and Sewerage Sales – Domestic Cluster (over), as the fixed basic charges and volumetric usage were higher than anticipated.

- **Service charges - Waste Management (R28,4 million under)**
  The variance reflects mainly on Refuse Charges, where the revenue is lower than anticipated as a result of billing adjustments made in favour of customers.

- **Sale of Goods and Rendering of Services (R35,9 million over)**
  - The variance reflects mainly on:
  - Admission/Entrance Fees, due to an increase in visitors visiting 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 increased revenue as a new parking tender covering additional areas has been implemented.
  - Recoveries of Operational Expenditure, due to a settlement agreement linked to the 2010 Stadium construction project. The Service Provider (SP) was unable to fulfil the full agreement and an additional settlement, specifically a cash settlement of the outstanding obligation, was concluded.

- **Interest from Current and Non Current Assets (R528,8 million over)**
  The variance is attributed to the following:
  - 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.
  - Interest Received - Allocation to Donors, where improved investment returns were realised due to higher than anticipated interest rates offered in the market.

- **Rental from Fixed Assets (R27,3 million over)**
  The variance is attributed to the following:
  - Rental from Fixed Assets - Non-Market related (other), due to:
    - Unforeseen increases in billing for three lessees whose rentals are linked to their annual financial performance;
    - Less than planned saleable units being transferred, resulting in an over-recovery year-to-date; and
    - Misalignment of period budget projections linked to the bi-annual rental that is payable by the Western Province Rugby (WPR) for the suite rental at the Cape Town Stadium.
    - Indigent Relief, which is demand driven and dependent on the eligibility of applicants, making it difficult to plan accurately per monthly cycles. The net impact is a reduction on revenue.

- **Operational Revenue (R21,4 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 Levy, due to the earlier than anticipated receipt of the skills levy.

- **Property Rates (R111,4 million over)**
  The variance is largely due to property valuation changes (i.e. objections, appeals, reviews and supplementary valuations) made during the reporting period.

- **Fines, penalties and forfeits (R416,6 million over)**
  The variance is mainly on fines, penalties and forfeits due to a higher collection of revenue from traffic fine accruals during the period.

- **Transfers and subsidies – Operational (R69,1 million under)**
  The variance reflects mainly on:
  - Grants and Subsidies: Provincial (Conditional), mainly within the following directorates:
    - Human Settlements Directorate as a result of the following:
      - Greenville Housing Ph4 Tops, the project phase has been completed, and savings have been realised.
      - Gugulethu Infill Project Erf 8448/Mau/Mau, due to outstanding invoices.
      - Elsies River Infill Housing Project, where the contract appointment was delayed due to an appeal received during the tendering process.
    - Community Services & Health due to outstanding claims for November 2025 and December 2025 to be submitted to the Provincial Health Department.
    - Safety & Security due to delays in the signing of the business plan and Transfer Payment Agreement (TPA) for the Law Enforcement Advancement Plan (LEAP) project.
  - Grants and Subsidies: PCDR (Conditional), mainly within the Water & Sanitation Directorate as a result of the following:
    - The initial professional services tender funded by KfW was cancelled. Three alternative tenders are currently in the evaluation stage, but it is anticipated that the full grant allocation will not be spent in the current financial year.
    - The implementation of the technical assistance tender, funded by KfW, has been delayed, with expenditure expected to increase in future periods.
    - The community facilitation project funded by the Bill & Melinda Gates Foundation has experienced delays, resulting in the likelihood that the full grant allocation might not be spent in the current financial year.

- **Operational Revenue (R55,1 million under)**
  The variance reflects mainly on Area Cleaning Charges, due to the impact of zero-rated properties being billed at a zero value, and billing corrections made on the system.

- **Other Gains (R125,9 million over)**
  The variance is largely due to:
  - Inventory consumed: Gains Water, where the water volumes drawn from the internal dams are more than budgeted for in the inventory system.
  - Inventory consumed: Price Adj Bulk Water and Reticulation Water, due to the water consumption for customers being slightly higher than budgeted volumes.

Reasons for variances on revenue by source can be found in *Material variance explanations for revenue by source and by vote* on page 52.

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	20 895 802	10 032 013	10 434 623	(402 610)	-3.9%	20 810 094
Remuneration of councillors	197 729	197 729	94 077	99 774	(5 696)	-5.7%	198 376
Bulk purchases - electricity	17 755 086	17 755 086	8 147 823	8 188 860	(41 036)	-0.5%	17 755 086
Inventory consumed	7 899 755	7 891 075	3 190 083	3 214 918	(24 835)	-0.8%	7 830 794
Debt impairment	3 217 478	3 217 478	1 346 133	1 595 776	(249 643)	-15.6%	3 178 514
Depreciation and amortisation	3 974 164	3 974 164	1 942 259	1 987 082	(44 823)	-2.3%	3 996 121
Interest	1 428 206	1 416 254	473 069	694 097	(221 028)	-31.8%	1 083 168
Contracted services	11 100 541	11 159 477	4 413 778	4 410 400	3 378	0.1%	11 172 532
Transfers and subsidies	388 523	405 092	170 522	203 825	(33 303)	-16.3%	435 536
Irrecoverable debts written off	123 202	123 202	283 649	30 453	253 196	831.4%	198 594
Operational costs	3 768 638	3 806 764	1 776 808	1 923 386	(146 578)	-7.6%	3 846 638
Losses on Disposal of Assets	2 500	2 500	7 592	1 551	6 041	389.6%	2 581
Other Losses	532 092	532 092	361 686	179 987	181 700	101.0%	481 931
Total Expenditure	**71 277 006**	**71 376 715**	**32 239 493**	**32 964 731**	**(725 238)**	**-2.2%**	**70 989 966**

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 (R402,6 million under)**
  The variance is mainly due to:
  - The turnaround time in filling vacancies.
  - The internal filling of vacancies.
  - Slower than planned implementation of job creation projects (EPWP).

- **Bulk purchases - electricity (R41 million under)**
  The variance is due to Eskom structural changes made to bulk purchases.

- **Inventory consumed (R24,8 million under)**
  The variance reflects mainly on:
  - Chemicals, where the Faure Water Treatment Plant (WTP) is operating at reduced flow capacity and intermittent forced shutdowns during the month resulted in lower chemical consumption.
  - Materials Consumables Tools & Equipment, due to sufficient refuse bin stock being available in stores.
  - Inventory consumed: Reticulation Informal, due to changes in the calculation methodology.

- **Debt impairment (R249,6 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 0.22% (R3,6 million over expenditure).

- **Depreciation and amortisation (R44,8 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.

- **Interest (R221 million under)**
  The variance is due to the delayed drawdown of loans as informed by the City's financing strategy resulting in savings on external interest payable for the year-to-date.

- **Transfers and subsidies (R33,3 million under)**
  The variance is mainly on Grants/Sponsorships, due to the first tranche payment to Cape Town Tourism, initially budgeted for under Grants & Sponsorships, but processed against Contracted Services in compliance with Circular 131. Additionally, the Cape Town Tourism payment was less than anticipated.

- **Irrecoverable debts written off (R253,2 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 0.22% (R3,6 million over expenditure).

- **Operational costs (R146,6 million under)**
  The variance reflects mainly on:
  - G&D Labour to Grants & Donations (under), as a result of salary recoveries that were not processed due to discrepancies between the staff reconciliation and the payroll report.
  - R&M Hire of LDV, PVan, Bus, due to lower than anticipated hiring of fleet for pond cleaning within the Wastewater branch.
  - Electricity, due to downward fluctuations in electricity usage at some of the bulk water plants.
  - Bulk Water: Levy (Berg Water Project), due to the tariff for 2025/26 being lower than anticipated.
  - Software Licences - Upgrade/Protection, due to less than anticipated requests received for Software Licence upgrades.
  - Rehabilitation Costs Actual Expenditure, where the contractor appointed to complete the work at the Bellville landfill site has stepped away from the project and processes are being put into place to appoint an alternative contractor to complete the work.

- **Other Losses (R181,7 million over)**
  The variance reflects mainly on:
  - 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 occur occasionally due to market valuation movements.
  - Inventory consumed: Real: Leakage R/Water, due to losses for reticulation being higher than the budgeted volumes in the inventory system.

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
Expenditure by Vote							
Vote 1 - Community Services & Health	4 944 321	4 944 321	2 268 158	2 297 840	(29 682)	-1.3%	4 885 956
Vote 2 - Corporate Services	4 123 703	4 123 703	2 018 089	2 022 139	(4 050)	-0.2%	4 139 694
Vote 3 - Economic Growth	760 365	760 365	370 731	393 031	(22 299)	-5.7%	791 514
Vote 4 - Energy	21 757 162	21 757 162	9 808 166	9 986 275	(178 109)	-1.8%	21 498 611
Vote 5 - Finance	4 496 215	4 496 215	2 224 352	2 319 551	(95 199)	-4.1%	4 341 917
Vote 6 - Future Planning & Resilience	595 825	595 825	288 377	295 332	(6 955)	-2.4%	624 870
Vote 7 - Human Settlements	1 705 085	1 796 850	894 792	849 711	45 081	5.3%	1 780 374
Vote 8 - Office of the City Manager	524 560	524 560	253 194	254 719	(1 524)	-0.6%	552 288
Vote 9 - Safety & Security	6 692 842	6 692 842	3 112 296	3 194 571	(82 275)	-2.6%	6 729 308
Vote 10 - Spatial Planning & Environment	1 926 752	1 926 752	854 698	868 810	(14 112)	-1.6%	1 994 205
Vote 11 - Urban Mobility	4 706 689	4 706 689	2 092 155	2 120 438	(28 283)	-1.3%	4 855 846
Vote 12 - Urban Waste Management	4 100 966	4 100 966	1 736 688	1 856 720	(120 032)	-6.5%	3 981 197
Vote 13 - Water & Sanitation	14 942 522	14 950 465	6 319 688	6 505 595	(185 907)	-2.9%	14 814 186
Total Expenditure by Vote	**71 277 006**	**71 376 715**	**32 241 385**	**32 964 731**	**(723 346)**	**-2.2%**	**70 989 966**

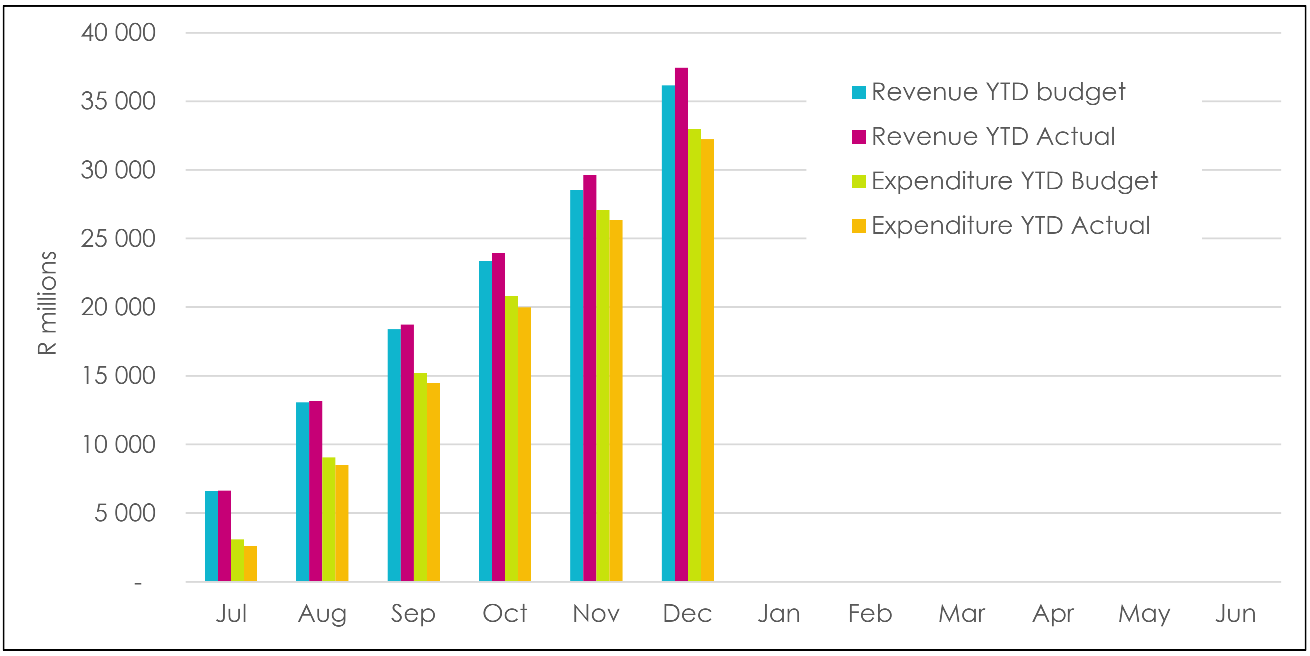
Reasons for under expenditure per vote (directorate)

Details on under expenditure by vote can be found in *Material variance explanations for operating expenditure by vote and by type* on page 65.

- **Human Settlements (R45,1 million over)**
  Over expenditure mainly reflects on:
  - Contracted Services, mainly on:
    - Security Services Municipal Facilities & Other, due to the high demand for security services within the areas where informal settlement projects are being implemented.
    - Advisory Services - Project Management, due to a budget misalignment as the Professional Service Provider (PSP) project governance was implemented earlier than planned as a result of good performances by service providers.
    - G&D Professional Service - Engineering Civil, due to a budget misalignment at cost element level within the project.
    - Building Contractors, where the grant funded expenditure was incorrectly captured against City funding.
  - Operational Cost, mainly on Subsidy on Homeowners Redemption, where the variance relates to the accounting treatment/entry for the redemption of the unrealised portion of the housing fund which is linked to the transfer of properties in respect of saleable Council Rental Units for which individuals were eligible for the Enhanced Extended Discount Benefit Scheme (EEDBS) subsidy.

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**	**13 536 948**	**5 061 782**	**5 358 372**	**(296 590)**	**-5.5%**	**13 475 562**
Funded by:							
National Government	3 735 882	3 735 882	1 504 672	1 527 006	(22 334)	-1.5%	4 226 332
Provincial Government	6 657	6 657	5 349	6 357	(1 008)	-15.9%	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	121 621	32 796	45 079	(12 283)	-27.2%	107 707
Transfers recognised - capital	**3 855 190**	**3 864 159**	**1 542 818**	**1 578 442**	**(35 625)**	**-2.3%**	**4 344 729**
Borrowing	**5 000 000**	**5 000 000**	**1 666 858**	**1 711 006**	**(44 148)**	**-2.6%**	**5 000 000**
Internally generated funds	**4 007 449**	**4 672 789**	**1 852 107**	**2 068 924**	**(216 817)**	**-10.5%**	**4 130 833**
Total Capital Funding	**12 862 639**	**13 536 948**	**5 061 782**	**5 358 372**	**(296 590)**	**-5.5%**	**13 475 562**

The summary statement of capital budget performance indicates actual capital expenditure of R5 062 million or 37.39% of the current budget.

The year-to-date spend of R5 062 million represents 36.38% (R3 519 million) on internally-funded projects and 39.93% (R1 543 million) on externally-funded projects.

Capital budget by municipal vote for 2025/26

Vote Description R thousands	2024/25	Budget Year 2025/26						
	Provisional 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	332 336	148 177	156 467	(8 289)	-5.3%	336 581
Vote 2 - Corporate Services	420 495	498 476	510 065	224 467	265 726	(41 259)	-15.5%	741 143
Vote 3 - Economic Growth	94 372	111 099	141 641	23 402	46 560	(23 158)	-49.7%	138 195
Vote 4 - Energy	1 063 370	1 249 640	1 329 735	649 106	659 616	(10 510)	-1.6%	1 360 754
Vote 5 - Finance	75 738	123 163	125 012	27 607	29 309	(1 702)	-5.8%	125 343
Vote 6 - Future Planning & Resilience	25 034	5 414	6 480	4 661	5 808	(1 147)	-19.8%	21 816
Vote 7 - Human Settlements	939 469	1 228 699	1 351 457	613 049	637 547	(24 498)	-3.8%	1 440 465
Vote 8 - Office of the City Manager	6 015	8 675	8 799	2 279	8 749	(6 470)	-74.0%	18 484
Vote 9 - Safety & Security	466 205	344 830	345 566	194 376	222 061	(27 685)	-12.5%	426 282
Vote 10 - Spatial Planning & Environment	268 940	519 567	546 271	165 359	196 165	(30 806)	-15.7%	459 012
Vote 11 - Urban Mobility	1 583 173	3 090 530	3 311 282	1 069 781	1 211 947	(142 166)	-11.7%	3 021 950
Vote 12 - Urban Waste Management	384 643	438 953	450 047	237 706	275 840	(38 134)	-13.8%	450 047
Vote 13 - Water & Sanitation	3 713 424	4 926 374	5 078 257	1 701 813	1 642 579	59 234	3.6%	4 935 490
Total Capital Expenditure	**9 351 390**	**12 862 639**	**13 536 948**	**5 061 782**	**5 358 372**	**(296 590)**	**-5.5%**	**13 475 562**

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

- **Corporate Services Directorate (R41,3 million under)**
  The negative variance is mainly attributed to changes across several projects:
  - Plant Replacement FY26, which is currently behind schedule due to delivery delays resulting from a breach of contract.
  - Computers: Additional Councillor Support FY26, where orders have been placed; however, delivery remains pending due to stock shortages.

  98.6% spend is forecasted for the projects currently on the budget.

- **Urban Mobility Directorate (R142,2 million under)**
  The negative variance reflects predominantly on the following projects within the IRT Phase 2A programme:
  - IRT Ph2A: Trunk-E2-M9 Duinefontein Railway - Intsikizi, where the addition of an additional contractor in the same works area has called for a revised construction programme, however, the progress rate has been regressive due to challenges of having two main contractors working in the same section and finding ways to progress alongside each other.
  - IRT Ph2A:Trunk-E3-M9 Intsikizi-Morning Star, where construction progress has been considerably slower than anticipated, primarily due to under performance by the contractor.
  - IRT Ph2A:W1-Roadway-Imam Haron/Chichester, where the PM is following up on the outstanding invoice.
  - IRT Ph2A: Station Construction: Claremont-Mitchells Plain, which is behind schedule as result of challenges experienced with service relocations.

  89.5% spend is forecasted for the projects currently on the budget.

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 78.

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

- **Urban Mobility (R349 million)**
  The variance is mainly due to the insurance contingency provision to be utilised as and when an insurance claim is settled and the replacement asset must be procured, as well as soft-lock of contingencies on contracts.

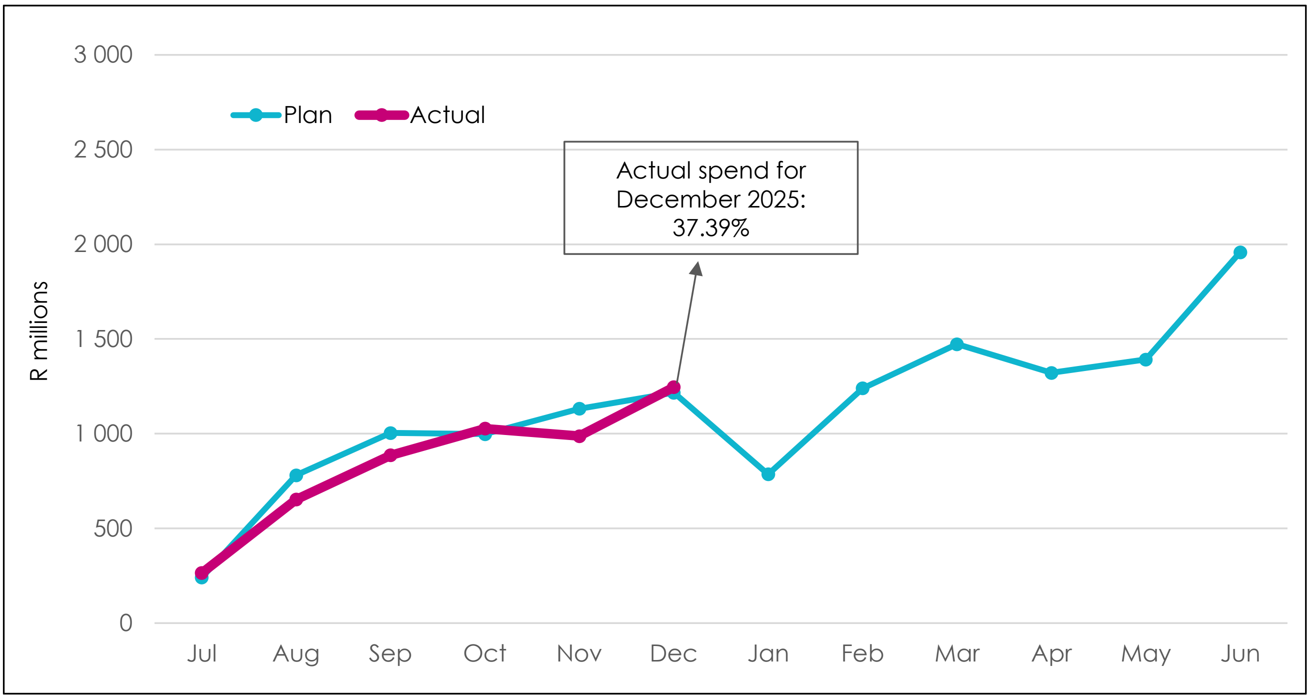
  Furthermore, no construction is scheduled on the following projects for the current financial year, as the tender Contract Required Date (CRD) is set for either the end of the current financial year or the beginning of the 2026/27 financial year:
  - IRT Phase 2A: Nyanga PTI Precinct
  - IRT Phase 2A: Nolungile PTI Precinct

  In addition, all planned work on the IRT Phase 2A: Trunk-E3-M9 Intsikizi-Morning Star project for the current financial year will not be completed due to slow contractor performance.

- **Water & Sanitation (R252 million)**
  The variance is mainly due to the soft-lock of contingencies on contracts.

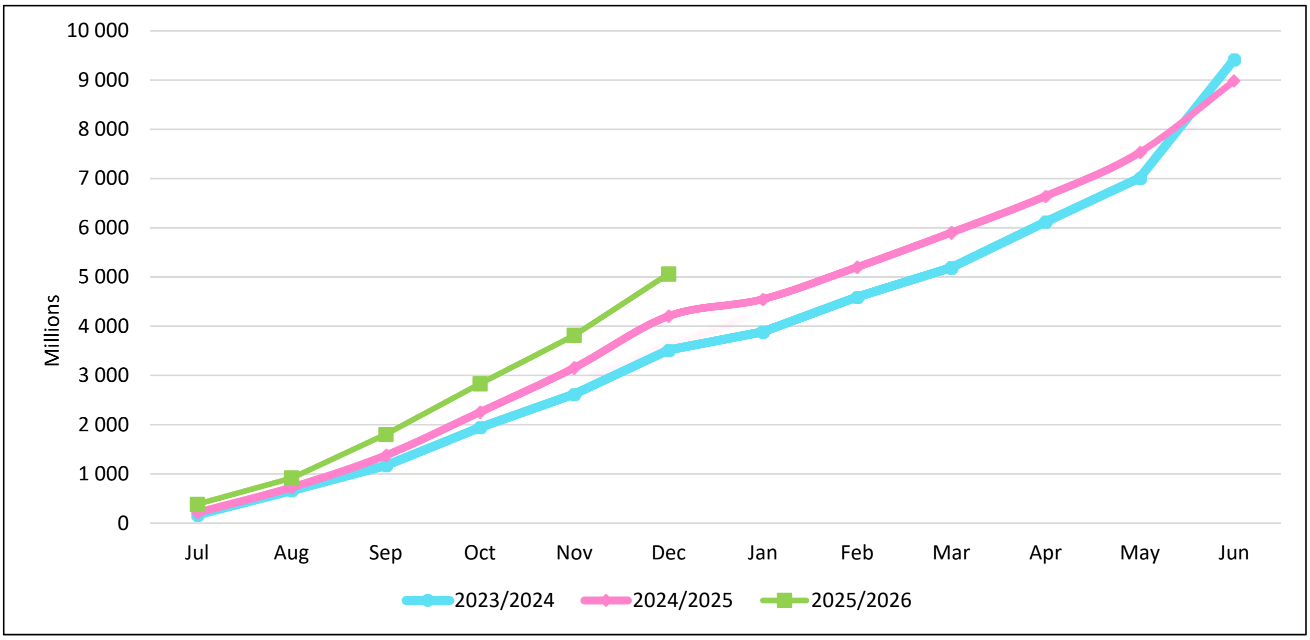
Monthly capital expenditure

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

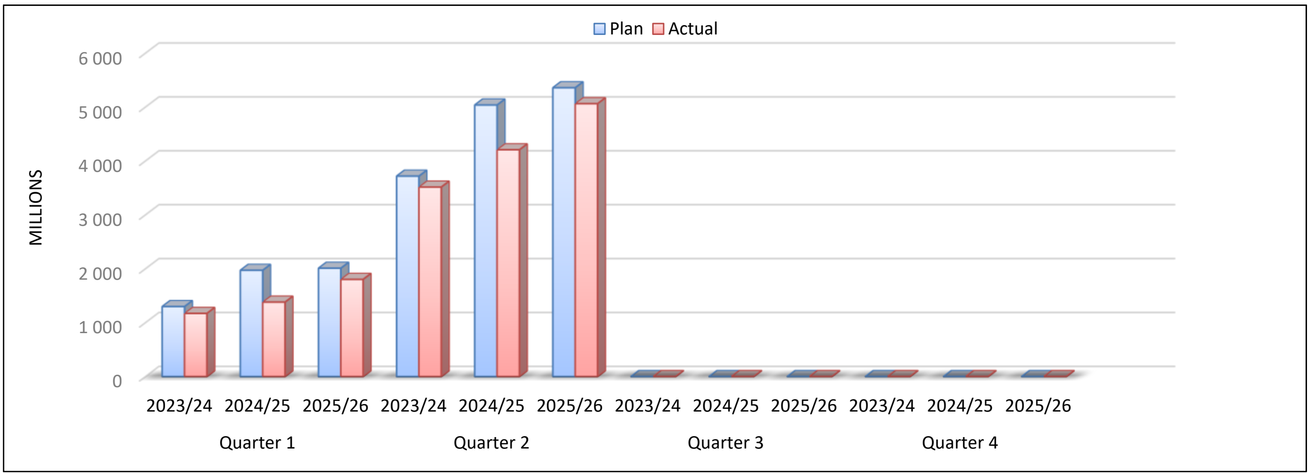


Capital expenditure trend over the current- and past two years

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	2 069 299 761	699 904 539	600 623 902	-99 280 637	1 832 975 026	Orders have been placed for work required. The project still has a high security presence and the progress is dependent on stakeholder support and management within the Phillipi area. The balance of funds represents contingencies, which is currently soft-locked against the project. The project progresses under close security monitoring. Additional funding is required due to an accelerated programme to maximise utilisation of the PTNG-BFI grant. The budget and cash flows will be amended in the January 2026 adjustments budget.
Potsdam WWTW - Extension	854 348 905	320 450 000	381 808 461	61 358 461	918 130 345	The project is ahead of schedule due to good contractor performance. Based on the latest cost estimate from the contractor additional funding is required. The balance of funds represents contingencies, which is currently soft-locked against the project. The budget and cash flows will be amended in the January 2026 adjustments budget.
Macassar WWTW Extension	463 286 877	104 655 465	190 612 684	85 957 219	409 458 189	The project is ahead of schedule due to good contractor performance. The balance of funds represents contingencies, which is currently soft-locked against the project.
Replace & Upgrade Sewer Network	347 177 128	111 993 135	90 206 016	-21 787 119	337 177 128	The negative variance is attributable to the delay in awarding Tender 44Q/2024/25, following a bidder's change in registration details during the procurement process. The tender has since been awarded, and work is expected to accelerate in the new calendar year, enabling the variance delta to be resolved. The contingency provision has been reduced to align with the latest budgeting approach. The budget and cash flows will be amended in the January 2026 adjustments budget.
Plant & Vehicles: Replacement	338 955 561	227 058 652	193 302 687	-33 755 965	337 456 865	The majority of orders have been placed, and some of the items have been delivered. Savings have been realised as a result of a reduction in the contract price adjustment (CPA). The budget and cash flows will be amended in the January 2026 adjustments budget.
Cape Flats Aquifer Recharge	313 489 370	128 000 000	113 498 268	-14 501 732	286 489 370	The construction contractor has been appointed, and the contractor's design activities are progressing as planned. The contractor has been granted possession of the site. The contractor and Professional Service Provider (PSP) invoices for December 2025 were received after month-end and are currently being vetted for payment in January 2026. A portion of the uncommitted funds is allocated for CPA, while the remaining balance represents soft-locked contingencies.

Table continues on next page.

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
AMI rollout programme	309 727 631	20 921 538	20 632 405	-289 133	288 784 887	The detailed design phase of the project is progressing well. The PSP invoice for December 2025 has not yet been processed, as it is still being verified and vetted for payment in January 2026. The implementation tender process remains on schedule to commence in January 2026, after which monthly expenditure is expected to increase significantly. The project has been allocated Urban Development Financing Grant (UDFG) funding through the National Treasury's Metro Trading Services Reform (MTSR) programme for Water and Sanitation, and the funding source is therefore being shifted from EFF to UDFG. The contingency provision has been reduced to align with the latest budgeting approach, and the budget and cash flows will be amended in the January 2026 adjustments budget.
Cape Flats Rehabilitation	270 462 372	39 979 300	114 926 606	74 947 306	269 374 392	Construction commenced for some of the works packages. The project is slightly ahead of schedule due to good contractor performance. The balance of funds represents soft-locked contingencies.
Replace & Upgrade Water Network	246 407 432	82 307 432	66 557 596	-15 749 836	219 310 180	Various work packages are being implemented, although some are progressing slower than originally anticipated. The roll-out of projects in USDG-qualifying areas has also been slower than expected. To optimise expenditure against USDG funding, the budget provision is being reallocated to other priority projects within the directorate. The balance of funds represents contingencies, which is currently soft-locked against the project. The budget and cash flows will be amended in the January 2026 adjustments budget.
System Equipment Replacement	219 713 174	125 552 089	152 599 078	27 046 989	142 180 366	The project is ahead of schedule due to good contractor performance. The budget and cash flows will be amended in the January 2026 adjustments budget.
Fleet & Plant: Replacement	203 765 189	141 350 982	118 627 480	-22 723 502	236 806 289	Some items have been delivered, however the balance could not be delivered due to a breach of contract. Bulk orders have already been placed, with deliveries scheduled to commence in February 2026. Additional orders will be placed once the January 2026 adjustments budget for additional funding is approved and the VAT and CPI implications have been confirmed.
Land Acquisition (Housing)	173 981 785	104 056 881	70 925 632	-33 131 249	180 459 152	The variance is attributable to the land acquisition registration process, which is still underway. A portion of the available funds will be reprioritised in the January 2026 adjustments budget.

Table continues on next page.

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
Wesfleur Aeration & Blower Replacement	153 000 000	72 000 000	56 670 501	-15 329 499	119 500 000	The project is slightly behind programme, and expenditure is lagging due to the December 2025 invoice being received after month-end, which is being vetted for payment in January 2026. Savings have been identified as certain construction phase activity allowances originally included in the scope of work are no longer required. The budget has been reprioritised to Tender 295Q under C11.86063-F1 – Potsdam WWTW Extension. The balance of funds represents contingencies, which is currently soft-locked against the project. The budget and cash flows will be amended in the January 2026 adjustments budget.
Cape Flats Aquifer:Hanover Park & Philip	151 797 981	27 939 400	49 975 251	22 035 851	133 700 000	Construction is underway, and the project is progressing ahead of schedule due to good contractor performance. Construction costs are expected to be approximately R5 000 000 lower than originally estimated. The balance of funds represents contingencies, which is currently soft-locked against the project. The budget and cash flows will be amended in the January 2026 adjustments budget.
Wildevoelvlei WWTW-Upgrade dewatering	147 924 256	56 690 000	15 394 732	-41 295 268	95 000 000	The project is progressing on schedule, however, expenditure is currently behind due to the late receipt of the contractor’s monthly invoice, which will be vetted for payment in January 2026, and the consultant’s monthly invoice being lower than anticipated. The balance represents contingencies, which is currently soft-locked against the project. In October 2025, the contractor notified the City of a delay in the delivery of imported equipment, specifically one of the belt presses originally scheduled for arrival by the end of April 2026. The delay is due to custom specifications required to accommodate non-standard working widths and operational pitch, necessitated by the facility’s spatial constraints. The revised delivery is now projected for August 2026. This delay, which is beyond the contractor’s control, has affected the timeline for mechanical equipment delivery. As a result, the unspent portion of the 2025/26 budget allocated for this equipment is now available for reprioritisation to other projects that can be expedited. The approved total project cost will remain unaffected, as the capital budget provision will be returned to the Wildevoëlvlei WWTW – Upgrade Dewatering project at the next available opportunity for the 2026/27 financial year through internal reprioritisation within the directorate. The budget and cash flows will be amended in the January 2026 adjustments budget.
Paardevlei 132/66 kV stepdown	138 671 081	28 671 081	75 881 081	47 210 000	131 571 081	The project is ahead of schedule due to satisfactory contractor performance. Funding will be rephased to the 2026/27 financial year, and the budget and cash flows will be amended in the January 2026 adjustments budget.

Table continues on next page.

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
Philippi Collector Sewer	134 393 088	44 718 704	32 137 016	-12 581 688	134 393 088	Construction commenced later than planned due to a delay in the issuance of the construction work permit.
Repl & Upgr Sewerage Pump Stations	119 966 037	40 476 814	49 895 033	9 418 219	116 666 037	Construction is currently underway. However, delays in awarding Tender 130Q/2023/24, along with the need to re-advertise, will result in underspending on the project in the 2025/26 financial year. To mitigate the impact, certain activities have been reassigned to existing contracts; however, these contracts are already operating at full capacity and cannot accommodate additional work. Consequently, the unspent allocation is being reprioritised to projects with immediate funding requirements. The budget and cash flows will be amended in the January 2026 adjustments budget.
Gordon's Bay Sewer Rising Main	117 000 000	50 610 124	49 173 897	-1 436 227	117 000 000	Construction progress is currently behind schedule due to slower contractor performance. The PM is actively monitoring and engaging with the contractor to enhance production. Additional funding is required as Tenders 68C/2019/20 and 271Q/2022/23 are being extended beyond their original expiry dates, incurring associated costs. The balance of funds represents contingencies, which remains soft-locked. The budget and cash flows will be amended in the January 2026 adjustments budget.
Muizenberg Beach Front Upgrade	115 480 600	53 168 385	43 440 245	-9 728 140	95 183 393	The majority of work orders for work planned have been placed. The project is in construction stage and overall on track to meet the due completion date, current progress is however one month behind the approved programme, due to unforeseen high rock level found underground, but is set to improve as easier production work has commenced and reprogrammed to be completed in parallel with the current technically challenging work. Additional resources have been brought to site to mitigate the slow progress resulting from unforeseen ground conditions and spend is anticipated to improve early in 2026. Invoices for December 2025 are still outstanding, and the PM is following up. A saving has been identified as the appointed contractor’s tendered amount was lower than anticipated, resulting in overall savings across the project duration. Consequently, funding is available for reprioritisation to other priority projects within the directorate. The funding does not need to be returned, as sufficient funding is available in the current and future financial years to complete the planned work. The balance of funds represents contingencies, which is currently soft-locked against the project. The budget and cash flows will be amended in the January 2026 adjustments budget.

Table continues on next page.

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
Sir Lowry's Pass River Upgrade	108 590 706	50 500 000	60 810 241	10 310 241	102 300 000	Construction is on track, with improved weather conditions contributing to increased progress on site. A positive variance has arisen due to the early securing of materials and completion of earthworks ahead of schedule. The strong performance of the contractor during the first quarter and into the second quarter has created an opportunity to fully utilise the USDG budget provisions and enhance grant expenditure. These provisions will be applied through Tenders 256Q/2020/21 and 194C/2020/21, with the contractors confirming sufficient capacity to implement the work during the 2025/26 financial year. The balance of funds represents contingencies, which is currently soft-locked against the project. The budget and cash flows will be amended in the January 2026 adjustments budget.
Vehicles, Plant Equip: Additional	106 928 910	45 506 179	25 864 592	-19 641 587	106 928 910	The variance is due to a revision of the original order following additional requests received. The budget and cash flows will be amended in the January 2026 adjustments budget.
Informal Settllements Routine Upgrades	105 117 208	67 299 545	47 785 237	-19 514 308	87 572 320	The variance is attributable to the outstanding December 2025 invoice, which the PM is actively following up on. A portion of the available funds will be reprioritised in the January 2026 adjustments budget.
Bulk Retic Sewers in Milnerton Rehab	104 064 862	89 863 760	36 603 364	-53 260 396	85 954 284	The project is behind schedule, where delays are experienced due to inclement weather and unfavourable soil conditions. The project is currently in the execution phase and is approaching completion. The budget and cash flows will be amended in the January 2026 adjustments budget.
Asset Upgrade - Routine Prog - Central	103 265 000	43 389 970	39 057 772	-4 332 198	108 453 888	The variance is attributable to the outstanding December 2025 invoice, which the PM is actively following up on.
	7 416 814 914	**2 777 063 975**	**2 697 009 776**	**-80 054 199**	**6 892 825 190**	

COMMITMENTS AGAINST CASH AND INVESTMENTS

Cash and Investments

The cash and cash equivalents amount to R13 814 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	**19 740 281**	**21 732 528**
Total Commitments	**8 981 176**	**8 542 277**
Unspent Conditional Grants	1 952 069	2 300 440
Housing Development	310 157	312 274
MTAB	27 899	27 632
Trust Funds	1 251	1 258
Insurance reserves	421 089	424 117
CRR / Revenue	6 268 711	5 476 556
Uncommitted Funds	**10 759 105**	**13 190 251**
Closing Cash and Investment Balance	**19 740 281**	**21 732 528**
Non Current Investments	378 219	378 219
Current Investments	7 540 512	7 540 512
Cash and Cash Equivalents as per Cash flow statement (Table C7)	11 821 550	13 813 797

Details on the cash flow can be found in *Cash Flow* on page 51.

The City's investment portfolio breakdown can be found in *Investment portfolio* on page 86.

The monthly actual and targets can be found in *Actual and revised targets for cash receipts and cash flows* on page 94.

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	7 429 270	4 525 284	4 532 370	(7 086)	-0.2%	7 356 104
Total capital expenditure of Transfers and Grants	3 855 190	3 864 159	1 542 782	1 578 442	(35 661)	-2.3%	3 762 210
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	**11 184 751**	**11 293 430**	**6 068 065**	**6 110 812**	**(42 747)**	**-0.7%**	**11 118 314**

Detailed information on transfers and grants per funding source is reflected in *Transfers and grants expenditure* on page 89.

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	17 359	807	1 366	6	–	–	1	1	19 541

The City's creditors are paid within 30 days as stipulated in the MFMA. Creditors older than 31 days are due to a direct payment, blocked account, Contract Price Adjustments (CPA), outstanding credit notes and forex payments.

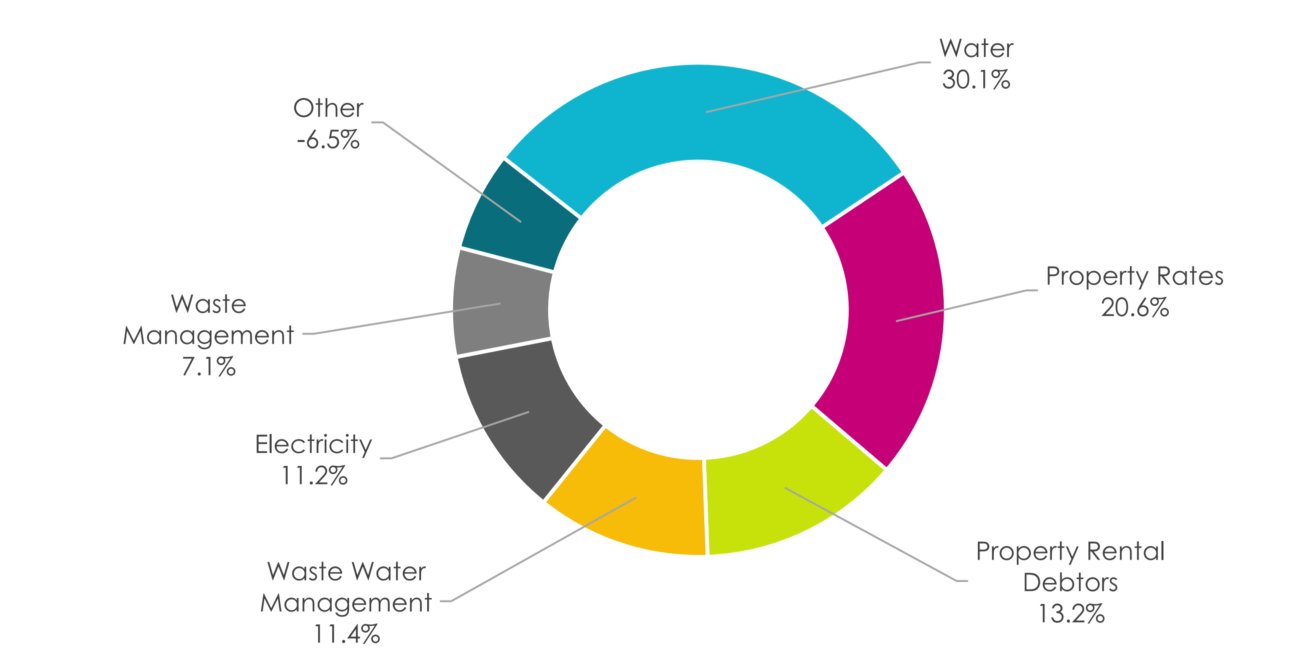
The City has a continuous management follow-up control system in place to facilitate the ultimate payment of these invoices.

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	2 870 970	32.3%	353 503	4.0%	246 625	2.8%	5 425 500	61.0%	8 896 598
2024/25 - totals only	2 862 178	28.9%	310 520	3.1%	210 706	2.1%	6 536 852	65.9%	9 920 257
Movement	8 792		42 983		35 918		(1 111 352)		(1 023 658)
% Increase/(Decrease) year on year		**0.3%**		**13.8%**		**17.0%**		**-17.0%**	**-10.32%**

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
Basfour 2295 (Pty) Ltd	R49 763 309.99	R6 145 590.22	R0.00	R0.00	R0.00	R0.00	R0.00	-R2 898 000.00	R46 515 719.77	The company is in business rescue effective 29 January 2025. A payment of R4 437 105.82 was received on 24 December 2025. Debt Management submitted a request for a legal opinion to Legal Services, and feedback received confirmed that the City will rank as a concurrent creditor. An additional opinion was requested regarding the set-off of the City's rental. Legal Services confirmed on 30 December 2025 that the report had been submitted through the value chain and that feedback would be provided in January 2026. A meeting will be scheduled with the Business Rescue Practitioner to discuss possible measures to curtail the interest accruing on the accounts.
Basfour 2295 (Pty) Ltd	R44 500 177.58	R4 242 256.94	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	R40 257 920.64	The company is in business rescue effective 29 January 2025. A payment of R2 865 585.16 was received on 24 December 2025. Debt Management submitted a request for a legal opinion to Legal Services, and feedback received confirmed that the City will rank as a concurrent creditor. An additional opinion was requested regarding the set-off of the City's rental. Legal Services confirmed on 30 December 2025 that the report had been submitted through the value chain and that feedback would be provided in January 2026. A meeting will be scheduled with the Business Rescue Practitioner to discuss possible measures to curtail the interest accruing on the accounts.
Beadica 281 CC	R41 047 406.47	R820 947.79	R424 817.33	R327 958.02	R618 388.20	R449 229.37	R18 360.25	R15 705 527.50	R22 682 178.01	The services were disconnected. The summons could not be served as the debtor could not be traced. A negative trace report was received, and judgment was obtained. The sheriff attempted to execute the warrant at 27 Foregate Square, Harbour Road, Cape Town, but reported the debtor, Beadica 281 CC, as unknown at the address. Awaiting Section 116 implementation to declare the debtor insolvent.
Get Metal Properties (Pty) Ltd	R37 024 172.80	R358 962.46	R357 879.29	R1 111 476.40	R422 864.68	R12 073 895.86	R0.00	R15 545 099.80	R7 153 994.31	An instalment plan of R200 000.00 is currently in place. 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. Last payment of R543 312.12 was received on 15 December 2025 and next payment will be paid on 12 January 2026.
Waste Tyre Transporters SA Proprietary Limited	R17 105 840.55	R11 036 684.55	R84 593.64	R24 599.02	R5 960 720.34	R0.00	R0.00	R0.00	-R757.00	A tampering fee of R10 916 148.34 was raised on 8 December 2025. A disconnection notice will be issued to terminate all services, as the client has failed to respond to all attempts at communication.
Myriad Trust	R16 110 216.66	R1 693 500.76	R1 688 408.98	R1 562 673.69	R0.00	R2 209 867.12	R198.30	R4 236 874.82	R4 718 692.99	Awaiting confirmation from the transferring attorney regarding the client's Bloemfontein properties to be used as security in order to approve a payment arrangement until the debt is fully settled. The last payment of R2 345 882.01 was received on 2 December 2025.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2026 Q2 (December 2025)

Customer	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
Waste Tyre Transporters SA Proprietary Limited	R 17 105 840.55	R 11 036 684.55	R 84 593.64	R 24 599.02	R 5 960 720.34	R 0.00	R 0.00	R 0.00	-R 757.00	A tampering fee of R10 916 148.34 was raised on 8 December 2025. A disconnection notice will be issued to terminate all services, as the client has failed to respond to all attempts at communication.
Myriad Trust	R 16 110 216.66	R 1 693 500.76	R 1 688 408.98	R 1 562 673.69	R 0.00	R 2 209 867.12	R 198.30	R 4 236 874.82	R 4 718 692.99	Awaiting confirmation from the transferring attorney regarding the client's Bloemfontein properties to be used as security in order to approve a payment arrangement until the debt is fully settled. The last payment of R2 345 882.01 was received on 2 December 2025.
Parker Food Prop Proprietary Limited	R 15 172 324.78	R 369 597.92	R 123 723.04	R 122 891.55	R 122 891.55	R 0.00	R 0.00	R 14 433 220.72	R 0.00	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. A warrant of execution against movable property will be issued by the court.
Northern Value Share Block Pty Ltd	R 12 124 010.88	R 536 731.73	R 250 763.78	R 249 092.47	R 228 775.32	R 272 947.86	R 156 199.06	R 1 068 633.20	R 9 360 867.46	A full and final settlement offer was received and submitted for the City Manager's approval in January 2026, with a request to write off the remaining outstanding debt.
Transnet Ltd	R 10 825 040.28	R 2 430 320.59	R 1 770 082.47	R 1 929 951.88	R 2 878 254.54	R 1 816 430.80	R 0.00	R 0.00	R 0.00	A payment of R1 729 503.54 was received on 13 December 2025. Awaiting on written confirmation from Transnet to offset the R5 million credit on this account. Despite numerous follow-ups, the required information has not yet been provided. Confirmation was received in January 2026 regarding the scheduled date for the repairs of the second water leak detected. A rebate remains outstanding, and the necessary adjustment will be processed in 2026 once the matter is finalised. It was requested that the R5 million credit be offset and transferred to this account.
Bentifor (Pty) Ltd	R 10 170 912.30	R 456 177.95	R 230 794.20	R 229 851.88	R 242 745.23	R 223 040.46	R 104 646.39	R 655 743.86	R 8 027 912.33	There is a water query on the account. The drawings for the new installation were received from the client and subsequently approved. Awaiting the client's confirmation regarding when the work can commence.
TOTAL	**R 253 843 412.29**	**R 28 090 770.91**	**R 4 931 062.73**	**R 5 558 494.91**	**R 10 474 639.86**	**R 17 045 411.47**	**R 279 404.00**	**R 48 747 099.90**	**R 138 716 528.51**	

Top 10 Commercial debtors service charges breakdown

Customer	Electricity	Water	Sewerage	Refuse	Rates	CIDS	Sundries	Other	TOTAL
Basfour 2295 (Pty) Ltd	R 49 987 309.99	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	-R 224 000.00	R 49 763 309.99
Basfour 2295 (Pty) Ltd	R 0.00	R 4 349 858.85	R 3 626 940.38	R 0.00	R 28 203 869.45	R 8 310 603.41	R 8 905.49	R 0.00	R 44 500 177.58
Beadica 281 CC	R 41 034 281.04	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 13 125.43	R 41 047 406.47
Get Metal Properties (Pty) Ltd	R 37 024 172.80	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 37 024 172.80
Waste Tyre Transporters SA Proprietary Limited	R 17 041 407.94	R 8 885.18	R 6 922.29	R 6 939.83	R 41 685.31	R 0.00	R 0.00	R 0.00	R 17 105 840.55
Myriad Trust	R 16 110 216.66	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 16 110 216.66
Parker Food Prop Proprietary Limited	R 15 170 570.02	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 1 754.76	R 15 172 324.78
Northern Value Share Block Pty Ltd	R 0.00	R 944 195.36	R 686 143.26	R 0.00	R 10 440 109.66	R 0.00	R 0.00	R 53 562.60	R 12 124 010.88
Transnet Ltd	R 0.00	R 6 155 266.37	R 4 669 773.91	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 10 825 040.28
Bentifor (Pty) Ltd	R 0.00	R 3 137 139.74	R 5 411 252.66	R 0.00	R 1 355 961.38	R 266 558.52	R 0.00	R 0.00	R 10 170 912.30

Top 10 Residential debtors - Age Analysis

Customer	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
Church Methodist	R10 491 124.31	R157 541.67	R81 068.87	R76 760.71	R81 166.17	R118 160.66	R1 541.07	R7 573.78	R9 967 311.38	A site inspection was done on 3 December 2025. Only 3 of the 17 active devices reflected on the billing system were located. There are a few unmetered water connections whilst some of the connection points are obstructed by hills and heaps. Engagements with the Data Management section suggest that water meters that could not be located must be removed from the billing system at a future date. A meeting has been proposed for mid-January 2026 to discuss the way forward.
Conference of The Methodist Church of Southern Africa	R9 716 945.91	R502 884.75	R285 800.92	R258 358.11	R257 378.90	R271 724.25	R170 609.78	R1 106 494.69	R6 863 694.51	A site inspection was done on 3 December 2025. Only 3 of the 17 active devices reflected on the billing system were located. There are a few unmetered water connections whilst some of the connection points are obstructed by hills and heaps. Engagements with the Data Management section suggest that water meters that could not be located must be removed from the billing system at a future date. A meeting has been proposed for mid-January 2026 to discuss the way forward.
Church Methodist	R8 897 540.52	R273 046.11	R138 707.77	R131 858.76	R152 741.00	R142 552.20	R47 565.34	R377 020.03	R7 634 049.31	A site inspection was done on 3 December 2025. Only 3 of the 17 active devices reflected on the billing system were located. There are a few unmetered water connections whilst some of the connection points are obstructed by hills and heaps. Engagements with the Data Management section suggest that water meters that could not be located must be removed from the billing system at a future date. A meeting has been proposed for mid-January 2026 to discuss the way forward.
St Johns 1 Body Corporate	R7 124 499.52	R801 722.75	R513 886.06	R867 372.39	R0.00	R0.00	R408 525.77	R3 300 100.73	R1 232 891.82	A pending water dispute has been resolved. The last payment amounting to R177 554.90 was received on 9 January 2026. A full and final settlement offer of R2 000 000.00 was received and submitted for the City Manager's approval in January 2026. Should the offer be approved, an amount of R4 839 071.58 will be written off.
Mitchells Plain Foundation	R6 521 599.47	R214 727.00	R229 927.31	R211 545.57	R237 636.41	R333 083.79	R136 442.41	R883 534.56	R4 274 702.42	The client is disputing the consumption charges for both water and electricity. Site inspections for both services were conducted in December 2025. Electricity installed an AMI meter in November 2025 to prevent future estimated readings. A meeting was held with Electricity on 8 January 2026 to determine whether prepaid meters will be installed. Water is planning a shut-off on 13 January 2026 to determine actual consumption. No payments are currently being received on this account.
Broad Road Medicentre Body Corporate	R5 614 122.94	R4 847 932.27	R0.00	R198.30	R0.00	R0.00	R0.00	R569.40	R765 422.97	A disconnection notice was re issued in December 2025 as the client has not committed to a payment arrangement regardless of numerous meetings with the client's managing agent. All sectional scheme title holders were informed of the upcoming disconnection.

Table continues on next page.

Customer	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
The Business Zone 1898 CC	R5 493 281.61	R321 410.43	R146 585.27	R187 285.96	R107 493.15	R89 795.61	R118 372.50	R752 958.47	R3 769 380.22	Water service was disconnected, however, consumption continues. According to the tracing report received from the attorney, it was confirmed that the client does not trade at the physical address of the property. They trade from a different address. The attorney was advised to serve the summons at the address provided.
Cape Town City Mission	R5 483 376.90	R269 771.14	R128 168.78	R130 817.03	R135 676.45	R2 192 584.82	R386.40	R639.40	R2 625 332.88	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 has been appointed by the client to determine if a leak exists on the property as the client disputes the water bill. A follow up meeting was scheduled for 11 February 2026.
Constantia Ridge Estates Pty Ltd	R4 559 081.38	R69 967.55	R62 655.32	R59 230.29	R56 456.48	R65 534.65	R39 426.44	R247 342.43	R3 958 468.22	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 is due on 9 February 2026. There is also a pending land ownership dispute.
Church Methodist	R3 137 467.85	R126 664.03	R64 286.93	R61 172.54	R72 077.56	R65 690.42	R26 793.43	R211 446.19	R2 509 336.75	A site inspection was done on 3 December 2025. Only 3 of the 17 active devices reflected on the billing system were located. There are a few unmetered water connections whilst some of the connection points are obstructed by hills and heaps. Engagements with the Data Management section suggest that water meters that could not be located must be removed from the billing system at a future date. A meeting has been proposed for mid-January 2026 to discuss the way forward.
TOTAL	**R67 039 040.41**	**R7 585 667.70**	**R1 651 087.23**	**R1 984 599.66**	**R1 100 626.12**	**R3 279 126.40**	**R949 663.14**	**R6 887 679.68**	**R43 600 590.48**	

Top 10 Residential debtors service charges breakdown

Customer	Electricity	Water	Sewerage	Refuse	Rates	Other	Sundries	TOTAL
Church Methodist	R 0.00	R 10 343 310.76	R 144 960.26	R 0.00	R 0.00	R 2 853.29	R 0.00	R 10 491 124.31
Conference of The Methodist Church of Southern Africa	R 0.00	R 4 665 629.01	R 3 888 330.14	R 25 091.99	R 1 066 400.99	R 0.00	R 71 493.78	R 9 716 945.91
Church Methodist	R 0.00	R 8 726 657.07	R 170 111.27	R 0.00	R 0.00	R 772.18	R 0.00	R 8 897 540.52
St Johns 1 Body Corporate	R 4 655 606.45	R 1 196 412.60	R 1 152 003.65	R 120 476.82	R 0.00	R 0.00	R 0.00	R 7 124 499.52
Mitchells Plain Foundation	R 3 290 269.37	R 1 226 099.10	R 738 038.73	R 290 195.03	R 976 997.24	R 0.00	R 0.00	R 6 521 599.47
Broad Road Medicentre Body Corporate	R 4 058 090.10	R 773 029.85	R 574 058.37	R 208 944.62	R 0.00	R 0.00	R 0.00	R 5 614 122.94
The Business Zone 1898 CC	R 0.00	R 1 838 277.46	R 1 452 330.58	R 468 140.16	R 1 714 955.07	R 18 929.76	R 648.58	R 5 493 281.61
Cape Town City Mission	R 2 043 437.81	R 1 144 549.89	R 731 732.28	R 204 326.74	R 531 745.91	R 826 918.31	R 665.96	R 5 483 376.90
Constantia Ridge Estates Pty Ltd	R 0.00	R 0.00	R 0.00	R 0.00	R 1 683 343.98	R 2 875 737.40	R 0.00	R 4 559 081.38
Church Methodist	R 0.00	R 2 981 332.47	R 154 915.66	R 0.00	R 0.00	R 1 219.72	R 0.00	R 3 137 467.85

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 R thousands	2024/25 Provisional Outcome	Budget Year 2025/26 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	13 768 100	6 832 483	6 721 049	111 434	1.7%	13 918 100
Service charges	31 863 259	34 064 443	34 064 443	17 632 048	17 510 029	122 018	0.7%	34 106 458
Investment revenue	1 559 083	758 522	758 522	907 944	379 141	528 803	139.5%	1 309 154
Transfers and subsidies - Operational	6 957 770	7 329 561	7 429 270	4 612 047	4 681 122	(69 076)	-1.5%	7 356 104
Other own revenue	13 818 333	14 811 680	14 811 680	7 463 801	6 861 632	602 169	8.8%	14 722 069
Total Revenue (excluding capital transfers and contributions)	**66 990 356**	**70 732 307**	**70 832 016**	**37 448 322**	**36 152 973**	**1 295 349**	**3.6%**	**71 411 884**
Employee costs	18 529 593	20 889 090	20 895 802	10 032 013	10 434 623	(402 610)	-3.9%	20 810 094
Remuneration of Councillors	185 833	197 729	197 729	94 077	99 774	(5 696)	-5.7%	198 376
Depreciation and amortisation	3 788 203	3 974 164	3 974 164	1 942 259	1 987 082	(44 823)	-2.3%	3 996 121
Interest	847 499	1 428 206	1 416 254	473 069	694 097	(221 028)	-31.8%	1 083 168
Inventory consumed and bulk purchases	23 410 110	25 654 842	25 646 161	11 337 907	11 403 778	(65 871)	-0.6%	25 585 880
Transfers and subsidies	373 494	388 523	405 092	170 522	203 825	(33 303)	-16.3%	435 536
Other expenditure	16 933 571	18 744 452	18 841 513	8 189 645	8 141 552	48 093	0.6%	18 880 789
Total Expenditure	**64 068 302**	**71 277 006**	**71 376 715**	**32 239 493**	**32 964 731**	**(725 238)**	**-2.2%**	**70 989 966**
Surplus/(Deficit)	**2 922 054**	**(544 699)**	**(544 699)**	**5 208 830**	**3 188 243**	**2 020 587**	**63.4%**	**421 919**
Transfers and subsidies - capital (monetary allocations)	2 612 522	3 855 190	3 864 159	1 542 782	1 626 708	(83 927)	-5.2%	4 344 729
Transfers and subsidies - capital (in-kind)	898	–	–	217	–	217	100.0%	–
Surplus/(Deficit) after capital transfers & contributions	**5 535 474**	**3 310 490**	**3 319 460**	**6 751 828**	**4 814 951**	**1 936 877**	**40.2%**	**4 766 647**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	-	–
Surplus/ (Deficit) for the year	**5 535 474**	**3 310 490**	**3 319 460**	**6 751 828**	**4 814 951**	**1 936 877**	**40.2%**	**4 766 647**
Capital expenditure & funds sources								
Capital expenditure	**9 351 390**	**12 862 639**	**13 536 948**	**5 061 782**	**5 358 372**	**(296 590)**	**-5.5%**	**13 475 562**
Capital transfers recognised	2 541 359	3 855 190	3 864 159	1 542 818	1 578 442	(35 625)	-2.3%	4 344 729
Borrowing	5 854 382	5 000 000	5 000 000	1 666 858	1 711 006	(44 148)	-2.6%	5 000 000
Internally generated funds	**955 649**	**4 007 449**	**4 672 789**	**1 852 107**	**2 068 924**	**(216 817)**	**-10.5%**	**4 130 833**
Total sources of capital funds	**9 351 390**	**12 862 639**	**13 536 948**	**5 061 782**	**5 358 372**	**(296 590)**	**-5.5%**	**13 475 562**
Financial position								
Total current assets	23 663 772	25 618 987	26 900 924	21 897 786				23 796 128
Total non current assets	75 849 787	85 146 169	85 820 478	83 047 649				85 576 132
Total current liabilities	13 557 517	16 508 768	18 456 044	10 056 673				14 720 556
Total non current liabilities	13 139 535	20 716 339	20 716 339	15 415 531				17 162 691
Community wealth/Equity	**72 816 507**	**73 540 049**	**73 549 018**	**79 473 230**				**77 489 013**
Cash flows								
Net cash from (used) operating	10 268 540	6 775 094	6 782 972	6 272 154	3 333 741	(2 938 413)	-88.1%	8 551 907
Net cash from (used) investing	(7 737 017)	(12 945 536)	(13 619 845)	(5 294 431)	(5 425 482)	(131 051)	2.4%	(13 638 240)
Net cash from (used) financing	757 432	3 882 699	3 882 699	2 259 543	3 041 896	782 353	25.7%	3 921 463
Cash/cash equivalents at the month/year end	**10 576 530**	**6 340 418**	**7 622 355**	**13 813 797**	**11 526 686**	**(2 287 111)**	**-19.8%**	**9 411 660**

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 R thousands	2024/25 Provisional Outcome	Budget Year 2025/26 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**	**20 909 478**	**11 865 384**	**11 138 718**	**726 667**	**6.5%**	**21 743 303**
Executive and council	1 551	393	393	322	196	125	63.8%	393
Finance and administration	21 107 407	20 909 081	20 909 081	11 865 063	11 138 520	726 543	6.5%	21 742 907
Internal audit	(5)	4	4	0	2	(2)	-91.3%	4
Community and public safety	**4 733 583**	**4 736 777**	**4 828 542**	**2 530 106**	**2 216 488**	**313 618**	**14.1%**	**4 841 335**
Community and social services	116 238	142 377	142 377	81 394	72 026	9 368	13.0%	143 286
Sport and recreation	84 346	66 264	66 264	36 912	28 080	8 832	31.5%	67 391
Public safety	2 492 605	2 344 266	2 344 266	1 314 842	911 697	403 146	44.2%	2 366 153
Housing	1 636 011	1 732 928	1 824 694	894 772	992 496	(97 724)	-9.8%	1 812 397
Health	404 383	450 941	450 941	202 186	212 190	(10 004)	-4.7%	452 107
Economic and environmental services	**3 068 851**	**4 279 566**	**4 288 536**	**1 753 636**	**1 807 216**	**(53 580)**	**-3.0%**	**4 239 747**
Planning and development	682 164	740 131	740 131	408 592	379 517	29 075	7.7%	745 309
Road transport	2 326 957	3 479 674	3 488 644	1 321 831	1 407 661	(85 830)	-6.1%	3 434 876
Environmental protection	59 731	59 761	59 761	23 213	20 038	3 175	15.8%	59 561
Trading services	**40 692 307**	**44 660 289**	**44 668 233**	**22 841 525**	**22 616 566**	**224 959**	**1.0%**	**44 930 946**
Energy sources	23 213 504	24 327 273	24 327 273	13 003 262	12 881 786	121 476	0.9%	24 476 412
Water management	11 459 260	12 582 605	12 582 605	5 782 994	5 670 349	112 645	2.0%	12 973 197
Waste water management	3 896 855	4 438 859	4 446 803	2 404 549	2 331 154	73 395	3.1%	4 448 351
Waste management	2 122 688	3 311 553	3 311 553	1 650 721	1 733 278	(82 557)	-4.8%	3 032 987
Other	**83**	**1 387**	**1 387**	**669**	**694**	**(25)**	**-3.6%**	**1 281**
Total Revenue - Functional	**69 603 776**	**74 587 497**	**74 696 175**	**38 991 321**	**37 779 682**	**1 211 639**	**3.2%**	**75 756 613**
Expenditure - Functional								
Governance and administration	**10 459 664**	**3 255 812**	**3 283 156**	**2 313 414**	**1 491 589**	**821 824**	**55.1%**	**3 450 295**
Executive and council	574 706	133 192	133 068	42 026	64 875	(22 849)	-35.2%	227 713
Finance and administration	9 820 356	3 119 756	3 147 223	2 271 408	1 424 322	847 086	59.5%	3 218 701
Internal audit	64 602	2 864	2 864	(20)	2 392	(2 413)	-100.9%	3 882
Community and public safety	**11 131 952**	**15 569 877**	**15 632 560**	**7 129 273**	**7 392 847**	**(263 574)**	**-3.6%**	**15 428 052**
Community and social services	1 180 490	1 853 305	1 856 920	879 424	904 190	(24 765)	-2.7%	1 863 044
Sport and recreation	1 739 448	2 460 335	2 459 072	1 223 804	1 189 118	34 686	2.9%	2 491 563
Public safety	4 715 741	6 736 213	6 707 438	2 816 757	3 029 352	(212 596)	-7.0%	6 532 256
Housing	1 910 760	2 609 915	2 699 022	1 284 868	1 314 418	(29 550)	-2.2%	2 678 076
Health	1 585 513	1 910 108	1 910 108	924 420	955 769	(31 349)	-3.3%	1 863 113
Economic and environmental services	**6 847 287**	**8 166 494**	**8 168 427**	**3 902 222**	**3 984 691**	**(82 469)**	**-2.1%**	**8 416 304**
Planning and development	1 772 352	2 246 064	2 246 490	1 017 837	1 043 008	(25 171)	-2.4%	2 216 982
Road transport	4 718 761	5 379 680	5 381 613	2 643 379	2 683 450	(40 071)	-1.5%	5 594 545
Environmental protection	356 174	540 749	540 323	241 006	258 233	(17 228)	-6.7%	604 777
Trading services	**35 498 979**	**44 043 437**	**44 051 187**	**18 798 973**	**19 981 498**	**(1 182 525)**	**-5.9%**	**43 444 856**
Energy sources	21 471 119	23 965 586	23 965 386	10 843 708	11 060 689	(216 981)	-2.0%	23 693 499
Water management	9 186 556	10 863 512	10 867 913	4 583 432	4 719 594	(136 162)	-2.9%	10 835 526
Waste water management	3 924 979	6 054 187	6 057 736	2 390 172	2 786 659	(396 487)	-14.2%	5 898 390
Waste management	916 325	3 160 152	3 160 152	981 661	1 414 555	(432 895)	-30.6%	3 017 442
Other	**130 420**	**241 386**	**241 386**	**95 611**	**114 105**	**(18 494)**	**-16.2%**	**250 458**
Total Expenditure - Functional	**64 068 302**	**71 277 006**	**71 376 715**	**32 239 493**	**32 964 731**	**(725 238)**	**-2.2%**	**70 989 966**
Surplus/ (Deficit) for the year	**5 535 474**	**3 310 490**	**3 319 460**	**6 751 828**	**4 814 951**	**1 936 877**	**40.2%**	**4 766 647**

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	Provisional Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote								
Vote 1 - Community Services & Health	957 455	991 754	991 754	506 001	500 045	5 956	1.2%	991 345
Vote 2 - Corporate Services	110 467	99 480	99 480	53 713	47 288	6 425	13.6%	100 255
Vote 3 - Economic Growth	543 626	367 264	367 264	170 684	164 121	6 563	4.0%	376 088
Vote 4 - Energy	23 003 585	24 085 011	24 085 011	12 821 480	12 700 044	121 436	1.0%	24 234 150
Vote 5 - Finance	20 070 032	20 156 511	20 156 511	11 502 849	10 852 363	650 486	6.0%	20 960 268
Vote 6 - Future Planning & Resilience	83 533	65 915	65 915	32 852	26 522	6 330	23.9%	74 880
Vote 7 - Human Settlements	1 654 231	1 771 568	1 863 334	906 740	999 940	(93 200)	-9.3%	1 844 475
Vote 8 - Office of the City Manager	1 246	957	957	3 005	103	2 902	2816.5%	4 367
Vote 9 - Safety & Security	2 540 700	2 396 509	2 396 509	1 348 694	945 827	402 866	42.6%	2 419 641
Vote 10 - Spatial Planning & Environment	715 805	746 195	746 195	410 937	373 736	37 201	10.0%	742 002
Vote 11 - Urban Mobility	2 388 773	3 511 579	3 520 549	1 377 836	1 413 781	(35 946)	-2.5%	3 517 866
Vote 12 - Urban Waste Management	2 166 763	3 323 144	3 323 144	1 658 367	1 737 655	(79 288)	-4.6%	3 051 349
Vote 13 - Water & Sanitation	15 367 562	17 071 610	17 079 554	8 198 164	8 018 256	179 908	2.2%	17 439 928
Total Revenue by Vote	**69 603 776**	**74 587 497**	**74 696 175**	**38 991 321**	**37 779 682**	**1 211 639**	**3.2%**	**75 756 613**
Expenditure by Vote								
Vote 1 - Community Services & Health	4 499 930	4 944 321	4 944 321	2 268 158	2 297 840	(29 682)	-1.3%	4 885 956
Vote 2 - Corporate Services	3 864 363	4 123 703	4 123 703	2 018 089	2 022 139	(4 050)	-0.2%	4 139 694
Vote 3 - Economic Growth	672 720	760 365	760 365	370 731	393 031	(22 299)	-5.7%	791 514
Vote 4 - Energy	19 635 188	21 757 162	21 757 162	9 808 166	9 986 275	(178 109)	-1.8%	21 498 611
Vote 5 - Finance	3 871 516	4 496 215	4 496 215	2 224 352	2 319 551	(95 199)	-4.1%	4 341 917
Vote 6 - Future Planning & Resilience	570 006	595 825	595 825	288 377	295 332	(6 955)	-2.4%	624 870
Vote 7 - Human Settlements	1 670 179	1 705 085	1 796 850	894 792	849 711	45 081	5.3%	1 780 374
Vote 8 - Office of the City Manager	524 964	524 560	524 560	253 194	254 719	(1 524)	-0.6%	552 288
Vote 9 - Safety & Security	5 836 592	6 692 842	6 692 842	3 112 296	3 194 571	(82 275)	-2.6%	6 729 308
Vote 10 - Spatial Planning & Environment	1 608 420	1 926 752	1 926 752	854 698	868 810	(14 112)	-1.6%	1 994 205
Vote 11 - Urban Mobility	4 372 867	4 706 689	4 706 689	2 092 155	2 120 438	(28 283)	-1.3%	4 855 846
Vote 12 - Urban Waste Management	3 750 562	4 100 966	4 100 966	1 736 688	1 856 720	(120 032)	-6.5%	3 981 197
Vote 13 - Water & Sanitation	13 190 995	14 942 522	14 950 465	6 319 688	6 505 595	(185 907)	-2.9%	14 814 186
Total Expenditure by Vote	**64 068 302**	**71 277 006**	**71 376 715**	**32 241 385**	**32 964 731**	**(723 346)**	**-2.2%**	**70 989 966**
Surplus/ (Deficit) for the year	**5 535 474**	**3 310 490**	**3 319 460**	**6 749 936**	**4 814 951**	**1 934 985**	**40.2%**	**4 766 647**

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						
	Provisional Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue								
Exchange Revenue								
Service charges - Electricity	22 597 687	23 663 555	23 663 555	12 562 142	12 449 334	112 808	0.9%	23 663 555
Service charges - Water	5 167 722	5 776 241	5 776 241	2 793 459	2 790 742	2 718	0.1%	5 868 665
Service charges - Waste Water Management	2 623 012	2 966 006	2 966 006	1 478 259	1 443 336	34 923	2.4%	2 963 426
Service charges - Waste management	1 474 838	1 658 640	1 658 640	798 187	826 618	(28 431)	-3.4%	1 610 811
Sale of Goods and Rendering of Services	752 490	816 579	816 579	410 591	374 718	35 873	9.6%	732 137
Agency services	288 826	302 874	302 874	146 612	151 437	(4 825)	-3.2%	302 874
Interest	–	–	–	–	–	–	-	–
Interest earned from Receivables	362 159	339 731	339 731	172 353	164 544	7 808	4.7%	329 033
Interest from Current and Non Current Assets	1 559 083	758 522	758 522	907 944	379 141	528 803	139.5%	1 309 154
Dividends	3 270	–	–	–	–	–	-	–
Rent on Land	–	–	–	–	–	–	-	–
Rental from Fixed Assets	535 280	494 307	494 307	274 782	247 519	27 263	11.0%	495 960
Licence and permits	1 452	205	205	517	103	414	403.8%	486 882
Special rating levies	–	494 107	494 107	247 543	240 979	6 564	2.7%	205
Operational Revenue	539 210	423 376	423 376	224 170	202 751	21 419	10.6%	391 276
Non-Exchange Revenue								
Property rates	12 791 912	13 768 100	13 768 100	6 832 483	6 721 049	111 434	1.7%	13 918 100
Surcharges and Taxes	431 181	–	–	–	–	–	-	–
Fines, penalties and forfeits	2 010 667	1 878 556	1 878 556	1 083 084	666 507	416 577	62.5%	1 905 299
Licence and permits	46 471	50 301	50 301	22 715	26 515	(3 800)	-14.3%	47 909
Transfers and subsidies - Operational	6 957 770	7 329 561	7 429 270	4 612 047	4 681 122	(69 076)	-1.5%	7 356 104
Interest	145 735	98 675	98 675	63 869	49 337	14 532	29.5%	98 675
Fuel Levy	2 749 549	2 851 776	2 851 776	1 901 184	1 901 184	–	-	2 851 776
Operational Revenue	–	906 078	906 078	380 851	435 957	(55 106)	-12.6%	769 510
Gains on disposal of Assets	267 624	70 772	70 772	14 269	4 735	9 534	201.4%	84 226
Other Gains	5 684 418	6 084 343	6 084 343	2 521 262	2 395 346	125 916	5.3%	6 226 308
Discontinued Operations	–	–	–	–	–	–	-	–
Total Revenue (excluding capital transfers and contributions)	**66 990 356**	**70 732 307**	**70 832 016**	**37 448 322**	**36 152 973**	**1 295 349**	**3.6%**	**71 411 884**
Expenditure By Type								
Employee related costs	18 529 593	20 889 090	20 895 802	10 032 013	10 434 623	(402 610)	-3.9%	20 810 094
Remuneration of councillors	185 833	197 729	197 729	94 077	99 774	(5 696)	-5.7%	198 376
Bulk purchases - electricity	16 333 059	17 755 086	17 755 086	8 147 823	8 188 860	(41 036)	-0.5%	17 755 086
Inventory consumed	7 077 050	7 899 755	7 891 075	3 190 083	3 214 918	(24 835)	-0.8%	7 830 794
Debt impairment	(935 100)	3 217 478	3 217 478	1 346 133	1 595 776	(249 643)	-15.6%	3 178 514
Depreciation and amortisation	3 788 203	3 974 164	3 974 164	1 942 259	1 987 082	(44 823)	-2.3%	3 996 121
Interest	847 499	1 428 206	1 416 254	473 069	694 097	(221 028)	-31.8%	1 083 168
Contracted services	9 963 588	11 100 541	11 159 477	4 413 778	4 410 400	3 378	0.1%	11 172 532
Transfers and subsidies	373 494	388 523	405 092	170 522	203 825	(33 303)	-16.3%	435 536
Irrecoverable debts written off	3 996 428	123 202	123 202	283 649	30 453	253 196	831.4%	198 594
Operational costs	3 504 247	3 768 638	3 806 764	1 776 808	1 923 386	(146 578)	-7.6%	3 846 638
Losses on Disposal of Assets	40 757	2 500	2 500	7 592	1 551	6 041	389.6%	2 581
Other Losses	363 650	532 092	532 092	361 686	179 987	181 700	101.0%	481 931
Total Expenditure	**64 068 302**	**71 277 006**	**71 376 715**	**32 239 493**	**32 964 731**	**(725 238)**	**-2.2%**	**70 989 966**
Surplus/(Deficit)	**2 922 054**	**(544 699)**	**(544 699)**	**5 208 830**	**3 188 243**	**2 020 587**	**63.4%**	**421 919**
Transfers and subsidies - capital (monetary allocations)	2 612 522	3 855 190	3 864 159	1 542 782	1 626 708	(83 927)	-5.2%	4 344 729
Transfers and subsidies - capital (in-kind)	898	–	–	217	–	217	100.0%	–
Surplus/(Deficit) after capital transfers & contributions	**5 535 474**	**3 310 490**	**3 319 460**	**6 751 828**	**4 814 951**			**4 766 647**
Income Tax	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax	**5 535 474**	**3 310 490**	**3 319 460**	**6 751 828**	**4 814 951**			**4 766 647**
Share of Surplus/Deficit attributable to Joint Venture	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality	**5 535 474**	**3 310 490**	**3 319 460**	**6 751 828**	**4 814 951**			**4 766 647**
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions	–	–	–	–	–			–
Surplus/ (Deficit) for the year	**5 535 474**	**3 310 490**	**3 319 460**	**6 751 828**	**4 814 951**			**4 766 647**

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	Provisional 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	332 336	148 177	156 467	(8 289)	-5.3%	336 581
Vote 2 - Corporate Services	420 495	498 476	510 065	224 467	265 726	(41 259)	-15.5%	741 143
Vote 3 - Economic Growth	94 372	111 099	141 641	23 402	46 560	(23 158)	-49.7%	138 195
Vote 4 - Energy	1 063 370	1 249 640	1 329 735	649 106	659 616	(10 510)	-1.6%	1 360 754
Vote 5 - Finance	75 738	123 163	125 012	27 607	29 309	(1 702)	-5.8%	125 343
Vote 6 - Future Planning & Resilience	25 034	5 414	6 480	4 661	5 808	(1 147)	-19.8%	21 816
Vote 7 - Human Settlements	939 469	1 228 699	1 351 457	613 049	637 547	(24 498)	-3.8%	1 440 465
Vote 8 - Office of the City Manager	6 015	8 675	8 799	2 279	8 749	(6 470)	-74.0%	18 484
Vote 9 - Safety & Security	466 205	344 830	345 566	194 376	222 061	(27 685)	-12.5%	426 282
Vote 10 - Spatial Planning & Environment	268 940	519 567	546 271	165 359	196 165	(30 806)	-15.7%	459 012
Vote 11 - Urban Mobility	1 583 173	3 090 530	3 311 282	1 069 781	1 211 947	(142 166)	-11.7%	3 021 950
Vote 12 - Urban Waste Management	384 643	438 953	450 047	237 706	275 840	(38 134)	-13.8%	450 047
Vote 13 - Water & Sanitation	3 713 424	4 926 374	5 078 257	1 701 813	1 642 579	59 234	3.6%	4 935 490
Total Capital Expenditure	**9 351 390**	**12 862 639**	**13 536 948**	**5 061 782**	**5 358 372**	**(296 590)**	**-5.5%**	**13 475 562**
Capital Expenditure - Functional Classification								
Governance and administration	***1 155 345***	***1 338 710***	***1 424 512***	***641 372***	***747 360***	***(105 987)***	***-14.2%***	***1 830 881***
Executive and council	1 718	27 948	30 556	1 474	20 005	(18 531)	-92.6%	30 156
Finance and administration	1 153 545	1 310 672	1 393 866	639 891	727 264	(87 373)	-12.0%	1 800 718
Internal audit	82	90	90	7	90	(83)	-92.1%	7
Community and public safety	***1 638 433***	***1 864 454***	***2 028 369***	***922 595***	***974 113***	***(51 518)***	***-5.3%***	***2 176 893***
Community and social services	90 140	138 247	140 940	70 761	62 758	8 003	12.8%	148 675
Sport and recreation	220 737	235 626	245 833	72 034	76 042	(4 008)	-5.3%	264 292
Public safety	357 903	231 780	246 906	157 864	171 223	(13 359)	-7.8%	313 508
Housing	932 296	1 202 911	1 334 680	606 824	630 063	(23 238)	-3.7%	1 415 120
Health	37 356	55 890	60 011	15 112	34 027	(18 915)	-55.6%	35 298
Economic and environmental services	***1 893 042***	***3 604 890***	***3 881 146***	***1 195 422***	***1 432 468***	***(237 046)***	***-16.5%***	***3 453 785***
Planning and development	161 485	280 769	320 838	59 683	83 515	(23 832)	-28.5%	238 789
Road transport	1 549 436	3 013 970	3 232 163	1 012 268	1 200 597	(188 329)	-15.7%	2 894 667
Environmental protection	182 121	310 151	328 146	123 471	148 356	(24 885)	-16.8%	320 329
Trading services	***4 663 470***	***6 052 141***	***6 200 430***	***2 301 542***	***2 201 965***	***99 578***	***4.5%***	***6 011 118***
Energy sources	1 075 730	1 228 075	1 302 330	633 445	634 192	(747)	-0.1%	1 334 700
Water management	938 295	1 478 230	1 530 768	408 516	425 168	(16 653)	-3.9%	1 429 204
Waste water management	2 488 246	3 258 361	3 272 239	1 221 104	1 102 263	118 841	10.8%	3 155 573
Waste management	161 199	87 476	95 093	38 478	40 341	(1 864)	-4.6%	91 641
Other	**1 100**	**2 445**	**2 491**	**851**	**2 467**	**(1 616)**	**-65.5%**	**2 886**
Total Capital Expenditure - Functional Classification	**9 351 390**	**12 862 639**	**13 536 948**	**5 061 782**	**5 358 372**	**(296 590)**	**-5.5%**	**13 475 562**
Funded by:								
National Government	2 466 508	3 735 882	3 735 882	1 504 672	1 527 006	(22 334)	-1.5%	4 226 332
Provincial Government	14 200	6 657	6 657	5 349	6 357	(1 008)	-15.9%	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	121 621	32 796	45 079	(12 283)	-27.2%	107 707
Transfers recognised - capital	**2 541 359**	**3 855 190**	**3 864 159**	**1 542 818**	**1 578 442**	**(35 625)**	**-2.3%**	**4 344 729**
Borrowing	**5 854 382**	**5 000 000**	**5 000 000**	**1 666 858**	**1 711 006**	**(44 148)**	**-2.6%**	**5 000 000**
Internally generated funds	**955 649**	**4 007 449**	**4 672 789**	**1 852 107**	**2 068 924**	**(216 817)**	**-10.5%**	**4 130 833**
Total Capital Funding	**9 351 390**	**12 862 639**	**13 536 948**	**5 061 782**	**5 358 372**	**(296 590)**	**-5.5%**	**13 475 562**

Financial Position

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

Description R thousands	2024/25 Provisional 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	14 588 642	13 277 372	12 835 375
Trade and other receivables from exchange transactions	5 181 046	4 274 283	4 274 283	5 059 751	3 507 487
Receivables from non-exchange transactions	3 135 644	6 313 491	6 313 491	2 895 451	6 321 403
Current portion of non-current receivables	64	60	60	64	64
Inventory	510 200	527 450	527 450	662 916	542 490
VAT	589 606	1 196 998	1 196 998	2 231	589 309
Other current assets	–	–	–	–	–
Total current assets	**23 663 772**	**25 618 987**	**26 900 924**	**21 897 786**	**23 796 128**
Non current assets					
Investments	4 248 048	2 517 807	2 517 808	8 325 249	4 495 016
Investment property	572 702	571 011	571 011	572 702	571 191
Property, plant and equipment	70 077 308	81 391 618	82 060 793	73 198 025	79 719 375
Biological assets	–	–	–	–	–
Living and non-living resources	1 112	1 440	1 440	1 112	962
Heritage assets	10 324	11 184	11 184	10 324	10 555
Intangible assets	940 198	653 094	658 228	940 198	779 003
Trade and other receivables from exchange transactions	–	–	–	–	–
Non-current receivables from non-exchange transactions	95	14	14	37	31
Other non-current assets	–	–	–	–	–
Total non current assets	**75 849 787**	**85 146 169**	**85 820 478**	**83 047 649**	**85 576 132**
TOTAL ASSETS	**99 513 559**	**110 765 156**	**112 721 402**	**104 945 434**	**109 372 260**
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Financial liabilities	761 578	1 346 115	1 346 115	761 578	1 115 639
Consumer deposits	560 056	499 971	499 971	671 045	585 765
Trade and other payables from exchange transactions	8 669 836	11 386 511	13 333 785	3 873 031	10 264 368
Trade and other payables from non-exchange transactions	1 141 121	833 187	833 187	2 300 440	307 105
Provision	1 918 135	1 981 571	1 981 573	1 902 538	2 039 045
VAT	506 791	461 413	461 413	548 041	408 634
Other current liabilities	–	–	–	–	–
Total current liabilities	**13 557 517**	**16 508 768**	**18 456 044**	**10 056 673**	**14 720 556**
Non current liabilities					
Financial liabilities	6 529 854	13 459 944	13 459 944	8 805 850	9 961 515
Provision	6 609 681	7 256 395	7 256 395	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**	**20 716 339**	**15 415 531**	**17 162 691**
TOTAL LIABILITIES	**26 697 052**	**37 225 107**	**39 172 384**	**25 472 204**	**31 883 247**
NET ASSETS	**72 816 507**	**73 540 049**	**73 549 018**	**79 473 230**	**77 489 013**
COMMUNITY WEALTH/EQUITY					
Accumulated surplus/(deficit)	67 566 495	68 264 566	68 494 978	74 665 112	70 834 971
Reserves and funds	5 250 013	5 275 483	5 054 041	4 808 119	6 654 042
Other	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	**72 816 507**	**73 540 049**	**73 549 018**	**79 473 230**	**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						
	Provisional 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	13 662 239	7 326 057	7 073 194	252 863	3.6%	13 798 856
Service charges	31 081 542	33 879 903	33 879 903	17 412 781	17 577 183	(164 402)	-0.9%	33 755 081
Other revenue	5 689 825	5 167 880	5 167 880	4 755 240	3 008 062	1 747 178	58.1%	5 077 136
Transfers and Subsidies - Operational	6 885 080	7 329 561	7 429 270	5 359 690	4 844 823	514 867	10.6%	7 356 104
Transfers and Subsidies - Capital	3 073 968	3 855 190	3 864 159	2 149 118	1 909 516	239 602	12.5%	4 344 729
Interest	1 657 394	758 522	758 522	816 094	457 048	359 046	78.6%	1 309 154
Dividends	3 270	–	–	–	–	–	-	–
Payments								
Suppliers and employees	(50 964 018)	(56 122 085)	(56 218 783)	(31 088 885)	(31 023 979)	64 906	-0.2%	(55 647 555)
Interest	(825 799)	(1 367 594)	(1 367 594)	(456 233)	(349 115)	107 119	-30.7%	(1 006 061)
Transfers and Subsidies	(9 440)	(388 523)	(392 626)	(1 706)	(162 991)	(161 285)	99.0%	(435 536)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**10 268 540**	**6 775 094**	**6 782 972**	**6 272 154**	**3 333 741**	**(2 938 413)**	**-88.1%**	**8 551 907**
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	347 083	70 772	70 772	–	–	–	-	84 226
Decrease (increase) in non-current receivables	341	60	60	–	–	–	-	64
Decrease (increase) in non-current investments	1 579 285	(153 729)	(153 729)	–	–	–	-	(246 967)
Payments								
Capital assets	(9 663 726)	(12 862 639)	(13 536 948)	(5 294 431)	(5 425 482)	(131 051)	2.4%	(13 475 562)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(7 737 017)**	**(12 945 536)**	**(13 619 845)**	**(5 294 431)**	**(5 425 482)**	**(131 051)**	**2.4%**	**(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	2 800 000	3 500 000	(700 000)	-20.0%	5 000 000
Increase (decrease) in consumer deposits	–	22 041	22 041	–	–	–	-	25 709
Payments								
Repayment of borrowing	(2 677 968)	(1 139 343)	(1 139 343)	(540 457)	(458 104)	82 353	-18.0%	(1 104 247)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**757 432**	**3 882 699**	**3 882 699**	**2 259 543**	**3 041 896**	782 353	25.7%	**3 921 463**
NET INCREASE/ (DECREASE) IN CASH HELD	**3 288 955**	**(2 287 744)**	**(2 954 175)**	**3 237 267**	**950 156**			**(1 164 870)**
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	7 622 355	13 813 797	11 526 686			9 411 660

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	112 808	0.9%	The variance is due to changes in the Time-of-Use (TOU) periods in line with Eskom periods, which resulted in misalignment between the period budget provision and actual billings to date.	Once a trend/pattern is identified in terms of period billings, the cash flow will be amended.
Service charges - Water	2 718	0.1%	Immaterial variance.	-
Service charges - Waste Water Management	34 923	2.4%	The variance is a combination of over-/under-recovery mainly on: 1. Fixed basic charge Sewerage - Domestic Full (under), as the fixed charges were lower than anticipated; 2. Fixed basic charge Sewerage and Sewerage Sales – Industrial/Commercial (under), as the fixed basic charges and volumetric usage were slightly lower than anticipated; 3. Sewerage Sales Volumetric - Domestic Full (over), as the volumetric usage was slightly higher than anticipated; and 4. Fixed basic charge Sewerage and Sewerage Sales – Domestic Cluster (over), as the fixed basic charges and volumetric usage were higher than anticipated.	The budget for Service charges – Waste Water Management will be adjusted upwards in the January 2026 adjustments budget.
Service charges - Waste management	(28 431)	-3.4%	The variance is a combination of over-/under-recovery mainly on the following items: 1. Indigent Relief: Refuse (over), where the number of eligible applicants is higher than originally anticipated, which in turn reduces the revenue to date; 2. Refuse Charges (under), where the revenue is lower than anticipated as a result of billing adjustments made in favour of customers; and 3. Disposal Coupon Fees (over), where the waste disposed of at landfill sites is consumption driven and is currently higher than anticipated.	The budget for Service charges - Waste Management will be adjusted downwards in the January 2026 adjustments budget.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue				
Sale of Goods and Rendering of Services	35 873	9.6%	The variance is a combination of over-/under-recovery mainly on the following items: 1. Admission/Entrance Fees (over), due to an increase in visitors visiting 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 increased revenue as a new parking tender covering additional areas has been implemented. 4. Treatment Effluent - Sales (under), due to adjustments made on the billing of treated effluent, which resulted in previously recorded actuals being reversed. 5. Recoveries of Operational Expenditure (over), due to a settlement agreement linked to the 2010 Stadium construction project. The Service Provider (SP) was unable to fulfil the full agreement and an additional settlement, specifically a cash settlement of the outstanding obligation, was concluded.	The budgets for building levies/scrutiny fees will be adjusted upwards in the January 2026 adjustments budget. The Directorate is investigating the reasons for the reversals processed against treated effluent sales.
Agency services	(4 825)	-3.2%	Immaterial variance.	-
Interest	–	-	-	-
Interest earned from Receivables	7 808	4.7%	Immaterial variance.	-
Interest from Current and Non Current Assets	528 803	139.5%	The variance is attributed to the following: 1. 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. 2. Interest Received - Allocation to Donors, where improved investment returns were realised due to higher than anticipated interest rates offered in the market.	Interest earned from Current & Non - Current assets was reviewed and the budget will be adjusted upwards during the January 2026 adjustments budget.
Rental from Fixed Assets	27 263	11.0%	The variance is attributed to the following: 1. Rental from Fixed Assets - Non-Market related (other), due to: a) Unforeseen increases in billing for three lessees whose rentals are linked to their annual financial performance. b) Less than planned saleable units being transferred, resulting in an over-recovery year-to-date; and c) Misalignment of period budget projections linked to the bi-annual rental that is payable by the Western Province Rugby (WPR) for the suite rental at the Cape Town Stadium. 2. Indigent Relief, which is demand driven and dependent on the eligibility of applicants, making it difficult to plan accurately per monthly cycles. The net impact is a reduction on revenue.	The indigent relief and Rental from Fixed Assets - Non-Market Related budgets will be adjusted upwards in the January 2026 adjustments budget. Cash flow projections will be reviewed and budget re-alignments processed in the January 2026 adjustments budget.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue				
Licence and permits	414	403.8%	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 immediate corrective action required.
Special rating levies	6 564	2.7%	Immaterial variance.	-
Operational Revenue	21 419	10.6%	The variance is a combination of over-/under-recovery mainly on the following items: 1. Development Contribution/Levy & BICL (over), due to higher than planned revenue on property development, which is difficult to accurately predict for cash flow purposes. 2. Collection Charges Recovered (under), where recoveries from debt actions are lower than anticipated. 3. Skills Development Levy (over), due to the earlier than anticipated receipt of the skills levy.	Budget re-alignments and cash flow amendments will be processed in the January 2026 adjustments budget.
Non-Exchange Revenue				
Property rates	111 434	1.7%	The variance is a combination of over-/under-recovery mainly on the following items: 1. Property Rates (over), due to property valuation changes (i.e. objections, appeals, reviews and supplementary valuations) made during the reporting period; 2. Income Forgone: Rates: Old Age Pension (under), due to fewer than planned applications approved to date; and 3. Income Forgone : Council Determined Rebate (under), due to less residential properties receiving rebates than initially anticipated.	The budget for Property Rates revenue will be increased during the January 2026 adjustments budget as a result of supplementary valuations. Property Rates: Income Forgone: Rates: Old Age Pension, and Income Forgone: Indigent Rebate: were reviewed and will be adjusted in the January 2026 adjustments budget.
Surcharges and Taxes	–	-	-	-
Fines, penalties and forfeits	416 577	62.5%	The variance is mainly on fines, penalties and forfeits due to a higher collection of revenue from traffic fine accruals during the period.	The budgets will be adjusted upwards in the January 2026 adjustments budget.
Licence and permits	(3 800)	-14.3%	The variance reflects mainly on driving license application fees and filming fees which is demand driven.	No immediate corrective action required.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue				
Transfers and subsidies - Operational	(69 076)	-1.5%	The variance is a combination of over-/under-recovery mainly on the following items: 1. Grant and Subsidies - National (Conditional) (over), mainly within Future Planning & Resilience, where operating projects funded from the Urban Development Finance Grant (UDFG) and the Urban Settlements Development Grant (USDG), are ahead of schedule. 2. Grants and Subsidies: Provincial (Conditional) (under), mainly within the following directorates: a) Human Settlements Directorate as a result of the following: ii) Greenville Housing Ph4 Tops, the project phase has been completed and savings have been realised. ii) Gugulethu Infill Project Erf 8448/Mau/Mau, due to outstanding invoices. iii) Elsies River Infill Housing Project, where the contract appointment was delayed due to an appeal received during the tendering process. b) Community Services & Health due to outstanding claims for November 2025 and December 2025 to be submitted to the Provincial Health Department. c) Safety & Security due to delays in the signing of the business plan and Transfer Payment Agreement (TPA) for the Law Enforcement Advancement Plan (LEAP) project. 3. Grants and Subsidies: PCDR (Conditional) (under), mainly within the Water & Sanitation Directorate as a result of the following: a) The initial professional services tender funded by KfW was cancelled. Three alternative tenders are currently in the evaluation stage, but it is anticipated that the full grant allocation will not be spent in the current financial year. b) The implementation of the technical assistance tender, funded by KfW, has been delayed, with expenditure expected to increase in future periods. c) The community facilitation project funded by the Bill & Melinda Gates Foundation has experienced delays, resulting in the likelihood that the full grant allocation might not be spent in the current financial year.	Grants and Subsidies: Provincial (Conditional): Human Settlements: i) A virement is in process to reprioritise a portion of the available funds to other priority projects within the directorate. A further portion of the available funds will be reprioritised in the January 2026 adjustments budget. ii) The PM's are following up on outstanding invoices. iii) The contractor appointment is in process and cash flows will be amended. b) Community Services & Health: Outstanding claims will be submitted by 12 January 2026. Grants and Subsidies: PCDR (Conditional), the budget will be adjusted downwards during the January 2026 adjustments budget as projects will be rephased to the outer years.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue				
Interest	14 532	29.5%	The variance is due to interest on arrear Property Rates being higher than estimated to date.	No immediate corrective action required.
Operational Revenue	(55 106)	-12.6%	The variance is due to a combination of over-/under-recovery mainly on: 1. Indigent Relief: Area Cleaning Charges (over), where more than anticipated customers qualified for indigent relief to date; and 2. Area Cleaning Charges (under), due to the impact of zero-rated properties being billed at a zero value, and billing corrections made on the system.	The budget for Area Cleaning Charges will be adjusted downwards, Indigent Relief: Area Cleaning Charges and the Gains on disposal of assets will be adjusted upwards in the January 2026 adjustments budget.
Gains on disposal of Assets	9 534	201.4%	The variance is largely attributed to: 1. The misalignment between the period budget and actual revenue pertaining to the August 2025 auction. 2. The payment received in respect of a court case relating to the acquisition of land in Retreat.	Cash flow projections to be amended and the budget will be adjusted upwards in the January 2026 adjustments budget.
Other Gains	125 916	5.3%	The variance is due to a combination of over-/under-recovery mainly on: a) Inventory consumed: Gains Water (over), where the water volumes drawn from the internal dams are more than budgeted for in the inventory system. b) Inventory consumed: Price Adj Bulk Water and Reticulation Water (over), due to the water consumption for customers being slightly higher than budgeted volumes. c) Fair Value Adjustments - Non-Exchange transactions (under), due to delays in adjustments linked to concessionary loans planned to be taken up in May 2026.	No immediate 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 1 - Community Services & Health	5 956	1.2%	Immaterial variance.	-
Vote 2 - Corporate Services	6 425	13.6%	The variance is a combination of over-/under-recovery on the following categories: 1. Service Charges - Infrastructure and Facilities (under), due to a delay in the summary billing for the Broadband Infrastructure Programme as well as a decline in customers for the period under review. 2. Skills Development Levy (over), due to the earlier than anticipated receipt of the skill levy.	1. Service charges - Infrastructure and Facilities: The billing will be completed in the next reporting period, and the period budget will be updated to align with anticipated billing cycles in the January 2026 adjustments budget. 2. Period budget to be reviewed.
Vote 3 - Economic Growth	6 563	4.0%	Immaterial variance.	-
Vote 4 - Energy	121 436	1.0%	The variance is a combination of over-/under-recovery on the following categories: 1. Service Charges - Electricity (over), due to changes in the TOU periods in line with Eskom periods, which resulted in misalignment between the period budget provision and actual billings to date. 2. Operational Revenue - Development Contribution/Levy & BICL (under), where developer requirements are lower than anticipated. 3. Revenue: Capital: PCDR (over), where more applications for new and upgraded supplies were received for the period under review.	Service Charges - Electricity: Once a trend/pattern is identified in terms of period billings, the cash flow will be amended. Operational Revenue - Development Contribution/Levy & BICL and Revenue Capital PCDR: No immediate 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 5 - Finance	650 486	6.0%	The variance is a combination of over-/under-recovery against the following categories: 1. Sales of goods and rendering of services (over), mainly on recoveries of operational expenditure due to a settlement agreement linked to the 2010 Stadium construction project. The SP was unable to fulfil the full agreement and an additional settlement, specifically a cash settlement of the outstanding obligation, was concluded. 2. Interest earned from Current & Non-Current Assets (over), mainly on: a) 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; and b) Interest Received - Allocation to Donors, where improved investment returns were realised due to higher than anticipated interest rates offered in the market. 3. Rental from Fixed Assets (over), mainly on Rental Fixed assets: Non-market-related, due to misalignment of period budget projections linked to the bi-annual rental that is payable by the Western Province Rugby (WPR) for the suite rental at the Cape Town Stadium. 4. Operational Revenue (under), mainly on Administrative Handling Fees Recovered and Administration Fees due to less admin handling fees recovered than anticipated. 5. Property Rates (over), a combination of over-/under-recovery, on the following sub items: a) Property Rates (over), due to property valuation changes (i.e. objections, appeals, reviews and supplementary valuations) made during the reporting period; b) Income Forgone: Rates: Old Age Pension (under), due to fewer than planned applications approved to date; and c) Income Forgone : Council Determined Rebate (under), due to less residential properties receiving rebates than initially anticipated. 6. Interest on Arrear Rates (over), due to more than planned outstanding Rates debtors. 7. 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. 8. Fair Value Adjustments - Non-Exchange transactions (under), because of delays in adjustments linked to concessionary loans planned to be taken up in May 2026.	Interest earned from Current & Non - Current assets was reviewed and the budget will be adjusted upwards in the January 2026 adjustments budget. The budget for Property Rates revenue will be increased in the January 2026 adjustments budget as a result of supplementary valuations. Property Rates: Income Forgone: Rates: Old Age Pension, and Income Forgone: Indigent Rebate: were reviewed and will be adjusted in the January 2026 adjustments budget.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 6 - Future Planning & Resilience	6 330	23.9%	The over-recovery reflects mainly on the following categories: 1. Administrative fees, due to the over-recovery for wayleave admin fees; and 2. Grants and Subsidies: National (Conditional), where operating projects funded from the Urban Development Finance Grant (UDFG) and the Urban Settlements Development Grant (USDG), are ahead of schedule.	The Administrative fees budget will be adjusted upwards in the January 2026 adjustments budget.
Vote 7 - Human Settlements	(93 200)	-9.3%	The variance is a combination of over-/under-recovery on the following categories: 1. Rental from Fixed Assets mainly due to: a) Indigent relief (over), which is demand driven and dependent on the eligibility of applicants, making it difficult to plan accurately on a monthly basis. The net impact is a reduction in revenue; b) Rental Fixed Assets: Non-market Related (over), due to less than planned saleable units being transferred, resulting in an over-recovery year-to-date; 2. Forfeited retention and penalties (over), as a result of penalties charged for contractors' poor performances; 3. Grants and Subsidies Provincial (Conditional) (under), the variance is mainly on the following projects: a) Greenville Housing Ph4 Tops, the project phase has been completed and savings have been realised. b) Gugulethu Infill Project Erf 8448/Mau/Mau, due to outstanding invoices. c) Elsies River Infill Housing Project, where the contract appointment was delayed due to an appeal received during the tendering process. 4. Revenue Capital: GGR – National (under), mainly as a result of the following: a) Land Acquisition FY26, due to land acquisition registration that is still in process; b) Informal Settlement Upgrade: Enkanini, where the contractors appointment is still in process; c) Blueberry Hill Housing Project & Informal Settlement Upgrade Central FY2026, due to outstanding invoices for the month under review. 5. Profit on sale of assets (over), due to a payment received in respect of a court case relating to the acquisition of land in Retreat.	The indigent relief budget will be adjusted upwards in the January 2026 adjustments budget. Grants and Subsidies: Provincial (Conditional): a) A virement is in process to reprioritise a portion of the available funds to other priority projects within the directorate. A further portion of the available funds will be reprioritised in the January 2026 adjustments budget. b) The PM's are following up on outstanding invoices. c) The contractor appointment is in process and cash flows will be amended. Revenue Capital: GGR – National: a) PM is engaging the transferring attorneys to ensure that land acquisitions are finalised. b) Appointment is anticipated in January 2026. Cash flows will be amended to align with anticipated appointment. c) The PM is following up on outstanding invoices, which will be processed in January 2026.
Vote 8 - Office of the City Manager	2 902	2816.5%	The over-recovery reflects mainly on recoveries of operational expenditure due to an increase in the recoveries for legal fees during the period under review.	The budget will be adjusted upwards in the January 2026 adjustments budget.

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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	402 866	42.6%	The variance is a combination of over-/under-recovery on the following categories: 1. Fines, penalties and forfeits (over), due to a higher collection of revenue from traffic fine accruals during the period. 2. Sales of Goods and Rendering of Services (over), mainly on Hire of Municipal Staff, due to an increased demand for traffic resources on the IRT Phase 2 Project by Urban Mobility. The additional need for traffic enforcement on roads under construction has resulted in the over-performance, which was not initially anticipated. 3. Interest received from Receivables (over), due to higher than planned interest accumulation raised on problem building accruals within the By-Law Enforcement environment where members of the public do not pay fines. 4. Transfers and Subsidies Operational (under), due to delays in the signing of the business plan and Transfer Payment Agreement (TPA) for the Law Enforcement Advancement Plan (LEAP) project. 5. Revenue Capital (under), due to late commitments raised for the Mfuleni and Langa Fire Station projects. Unforeseen challenges were experienced, which required clarification, resulting in quotations being finalised later than expected.	The budgets for fines, penalties and forfeits, and hire of municipal staff will be adjusted upwards in the January 2026 adjustments budget.
Vote 10 - Spatial Planning & Environment	37 201	10.0%	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, due to an increase in visitors visiting nature reserves. b) Building Levies/Scrutiny Fees, which is dependent on the construction industry which fluctuates constantly and is difficult to predict. 2. Special Rating Levies (over), due to an over recovery on CIDs which are dependent on property values. When valuations change as a result of objections, court rulings, supplementary valuations or new valuations, the revenue follows suit. 3. Fines and Penalties (over), due to Building Fines which are triggered when a property owner builds 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. 4. Transfers and subsidies operational (over), due to misalignment of cash flows of various operational projects.	The budgets for building levies/scrutiny fees and building fines will be adjusted upwards in the January 2026 adjustments budget.

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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	(35 946)	-2.5%	The variance is a combination of over-/under-recovery against the following categories: 1. Sale of Goods and Rendering of Services (over), mainly on: a) Bus fares – Transit Products, due to MyCiTi fare revenue being higher than anticipated as a result of higher demand; b) Parking Fees, due to increased revenue as a new parking tender covering additional areas has been implemented. 2. Interest earned from Current & Non-Current Assets (under), mainly on Interest Received - Allocation to Donors, due to non-permanent staff salary actuals being processed against the Transport and Public Works - Provision for persons with special needs Grant. 3. Operational Revenue (over), 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. 4. Transfers & Subsidies - Operational (under), due to a combination of over-/under-recovery on the following: a) Grants and Subsidies: National (Conditional) (over), due to retention payments processed for AFC: Maintenance being higher than anticipated; b) Grants and Subsidies: Provincial (Conditional) (over), due to the misalignment of actuals and period budget projections; as well as c) Grants and Subsidies: PCDR (Conditional) (under), due to the late recovery on IRT Phase 2A staff actuals. 5. Other Gains (over), mainly on Gains on Foreign Exchange, due to forex gains on the ORIO grant funds received. 6. Transfers & Subsidies - Capital Monetary (under), mainly on: a) Capital GGR - National, due to implementation delays as a result of poor contractor performance, internal and external dependencies particularly regarding electricity connection points, cable relocations, and fibre installations. Outstanding invoices from PSP/Contractors further contributed to the variance; and b) Capital PCDR, due to implementation delays related to the relocation of informal dwellings and traders on the IRT Ph2A: Trunk-E4-M9 Morning Star - Mew Way Project, and electricity supply completed later than anticipated on the IRT Ph2A: Depot Building Works - Mitchells Plain & Khayelitsha Project.	Budgetary realignments will be implemented in the January 2026 adjustments budget for Interest earned from Current & Non-Current Assets, Transfers and Subsidies – Operational, and Transfers & Subsidies - Capital Monetary.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 12 - Urban Waste Management	(79 288)	-4.6%	The variance reflects against the following categories: 1. Service charges - Waste Management (under), a combination of over-/under-recovery mainly on: a) Indigent Relief: Refuse (over), where the number of eligible applicants is higher than originally anticipated, which in turn reduces the revenue to date; b) Refuse Charges (under), where the revenue is lower than anticipated as a result of billing adjustments made in favour of customers; and c) Disposal Coupon Fees (over), where the waste disposed at landfill sites is consumption driven and is currently higher than anticipated. 2. Operational Revenue (under), a combination of over-/under-recovery mainly on: a) Indigent Relief: Area Cleaning Charges (over), where more than anticipated customers qualified for indigent relief to date; and b) Area Cleaning Charges (under), due to the impact of zero-rated properties that are billed at a zero value, and billing corrections made on the system. 3. Gains on disposal of Assets (over), due to a misalignment between period budgets and actuals.	The budget for Service charges - Waste Management will be adjusted downwards in the January 2026 adjustments budget. The budget for Area Cleaning Charges will be adjusted downwards, Indigent Relief: Area Cleaning Charges and Gains on disposal of Assets will be adjusted upwards in the January 2026 adjustments budget.

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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	179 908	2.2%	The variance reflects against the following categories: 1. Service Charges - Water Revenue (over), a combination of over-/under-recovery mainly on: a) Fixed basic charge Water - Domestic Full (over) and Domestic Cluster (under), due to incorrect assignment of revenue between these two revenue items; b) Fixed basic charge Water - Industrial & Commercial, Connection Fees Water, Water Sales - Bulk Tariff Consumption and Water Sales - Industrial/Commercial (under), which were lower than initially anticipated; c) Water Sales - Domestic Full and Cluster, Water Sales - Industrial/Commercial (over), due to water sales being higher than anticipated; and d) Water Research Levy (over), which was higher than anticipated. 2. Service charges - Waste Water Management (over), a combination of over-/under-recovery mainly on: a) Fixed basic charge Sewerage - Domestic Full (under), as the fixed charges were slightly lower than anticipated; b) Fixed basic charge Sewerage and Sewerage Sales – Industrial/Commercial (under), as the fixed basic charges and volumetric usage were slightly lower than anticipated; c) Sewerage Sales Volumetric - Domestic Full (over), as the volumetric usage was higher than anticipated; and d) Fixed basic charge Sewerage and Sewerage Sales – Domestic Cluster (over), as the fixed basic charges and volumetric usage were higher than anticipated. 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. Operational Revenue (under), mainly on: a) Collection Charges Recovered, due to recoveries from debt actions being lower than anticipated; and b) Development Contribution/Levy & BICL, due to applications received to date being lower than anticipated. *Continued on next page.*	The budget for Service Charges – Water Revenue will be adjusted upwards and the budget for Service charges - Waste Water Management will be adjusted downwards in the January 2026 adjustments budget. Budgetary realignments will be implemented in the January 2026 adjustments budget. The Grants and Subsidies: PCDR (Conditional) budget will be adjusted downwards during the January 2026 adjustments budget as projects will be rephased to the outer years.

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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	*See previous page.*	*See previous page.*	5. Transfers and subsidies - Operational (under), mainly on Grants and Subsidies: PCDR (Conditional), due to: a) The initial professional services tender funded by KfW was cancelled. Three alternative tenders are currently in the evaluation stage. It is anticipated that the full grant allocation will not be spent in the current financial year. b) The implementation of the technical assistance tender, funded by KfW, has been delayed, with expenditure expected to increase in future periods. c) The community facilitation project funded by the Bill & Melinda Gates Foundation has experienced delays. The full grant allocation might not be spent in the current financial year. 6. Other Gains (over), mainly on: a) Inventory consumed: Gains Water, where the water volumes drawn from the internal dams are more than budgeted for in the inventory system; and b) Inventory consumed: Price Adj B/Water and R/Water, due to the water consumption for bulk customers being slightly higher than budgeted volumes; 7. Transfers & Subsidies - Capital Monetary (over), mainly on Capital GGR - National, due to the prioritisation of expenditure against USDG grant funding.	*See previous page.*

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	(29 682)	-1.3%	The variance is a combination of over-/under expenditure mainly against the following categories: 1. Employee related costs (under), mainly on: a) Basic Salaries and Wages, Pension Scheme Employer Contribution, and Medical Aid Employer Contributions, due to the number of vacancies within the Directorate; and b) Leave Pay, due to misalignment of period budget and actual expenditure because of lower-than-expected encashment of leave payments. 2. Depreciation & amortisation (under), due to lower-than-expected implementation of 2024/25 capital projects, resulting in an under performance on asset depreciation in the current financial year. 3. Contracted Services (over), a combination of over-/under expenditure, mainly on: a) Building Contractors and Security Services: Municipal Facilities (over), due to higher-than-expected demand for these services resulting in misalignment of period budgets and actual expenditure incurred; b) R&M Contracted Services Building and R&M Electrical (over), due to accelerated implementation of R&M done at various community facilities as identified from the cost maintenance plan; and c) R&M Gardening Service (under), due to outstanding settlement of Plant Maintenance (PM) orders.	The Directorate has 519 vacancies in various stages of the Recruitment & Selection (R&S) process; 1626 posts were filled while 160 terminations were processed since the beginning of the financial year. 1. Additional R&S capacity was added to decrease the number of vacancies. The current capacity consists of four permanent staff and three HR Labour Practitioners. The year-to-date savings will be removed as part of the January 2026 adjustments budget. 2. The budget base will be aligned in the January 2026 adjustments budget. 3. Period budgets to be reviewed, virements to be processed and budget re-alignment will be addressed in the January 2026 adjustments budget.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 2 - Corporate Services	(4 050)	-0.2%	Immaterial variance.	The Directorate has 177 vacancies at various stages of the R&S process; 311 positions were filled while 52 terminations were processed since the beginning of the financial year.
Vote 3 - Economic Growth	(22 299)	-5.7%	The variance is a combination of over-/under expenditure against the following categories: 1. Employee related costs (under), mainly on Basic Salaries and Wages, Pension, and Medical Aid, due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Contracted Services (over), mainly on: a) Advisory Services - Project Management, due to the first tranche payment to Cape Town Tourism, initially budgeted for under Grants & Sponsorships, but processed against Contracted Services in compliance with Circular 131; and b) Security Services: Municipal Facilities, due to an increased demand for security as a result of a rise in illegal occupants, land invasion and vandalism at vacant facilities. 3. Transfers and Subsidies (under), mainly on Grants/ Sponsorships (S67), due to the first tranche payment to Cape Town Tourism, initially budgeted for under Grants & Sponsorships, but processed against Contracted Services in compliance with Circular 131; Additionally, the Cape Town Tourism payment was less than anticipated.	The Directorate has 39 vacancies in various stages of the R&S process; 75 positions were filled while 8 terminations were processed since the beginning of the financial year. Period budget provisions to be reviewed.
Vote 4 - Energy	(178 109)	-1.8%	The variance is mainly on the following categories: 1. Employee related costs, mainly on Basic Salaries and Wages, Pension, and Medical Aid, due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Bulk Purchases, due to Eskom structural changes made to bulk purchases. 3. Inventory Consumed, mainly on R&M Materials, General & Consumables, 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. *Continued on next page.*	The Directorate has 262 vacancies in various stages of the R&S process; 216 positions were filled while 58 were terminated since the beginning of the financial year. Bulk Purchases: The period budget provisions will be amended once a trend is determined for the period bulk purchases. Period budget provisions to be reviewed.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote Vote 4 - Energy	*See previous page.*	*See previous page.*	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, 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 c) R&M Maintenance of Equipment, where delays were experienced with switchgear maintenance at Steenbras pump station, and the replacement of vehicles resulted in less maintenance being required. 5. Operational Costs, mainly on: a) Electricity, due to the late receipt of invoices for services rendered in December 2025. b) Software Licenses - Upgrade/Protection, due to payment delays caused by SP not issuing invoices timeously.	*See previous page.*
Vote 5 - Finance	(95 199)	-4.1%	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) Basic Salaries and Wages, Pension Scheme Employer Contribution (under), due to the turnaround time in filling vacancies; b) Bonuses (over), due to more than planned staff being eligible for bonuses; and c) Non Structured Overtime (under), due to less overtime worked than anticipated. 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), mainly on Collection Fees due to fewer than anticipated accounts being handed over to the lawyers; 4. Transfers and subsidies (over), mainly on Grants/Sponsorships, due to more grant funding being transferred to the Cape Town Stadium than initially planned. *Continued on next page.*	The Directorate has 71 vacancies in various stages of the R&S process; 134 positions were filled while 41 positions were terminated since the beginning of the financial year. Interest - External and Collection fees: The budgets have been reviewed and will be adjusted downwards in the January 2026 adjustments budget. Period budgets to be reviewed and budget realignments to be addressed in the January 2026 adjustments budget.

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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), a combination of over-/under expenditure, mainly on: a) Auditors Remuneration (over), due to audit overruns. b) Motor Claims (over), which is unpredictable in nature and has resulted in the year-to-date budget not aligning to the actuals to date; and c) Indigent Relief: Electricity - Eskom (under), 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 changes in technology of IT Equipment and Electrical goods resulting in old items not being compatible with new equipment. 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 occur occasionally due to market valuation movements.	*See previous page.*
Vote 6 - Future Planning & Resilience	(6 955)	-2.4%	Immaterial variance.	The Directorate has 25 vacancies in various stages of the R&S process; 25 positions were filled while 8 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 7 - Human Settlements	45 081	5.3%	The variance is a combination of over-/under expenditure against the following categories: 1. Employee related costs (under), due to the turnaround time in filling vacancies. 2. Depreciation & Amortisation (under), the variance is due to delays in completion of capital projects, as well as a misalignment of the period budget of impairment for land acquisitions which will be recognised as part of the year-end processes. 3. Inventory consumed (under), mainly on: a) Materials Consumables Tools & Equipment, as a result of the prioritisation of grant funding for relocation kits within informal settlements before own funding is utilised. b) R&M Material General and Consumables, the unpredictability of maintenance requirements has resulted in a misalignment between actuals and period budget provisions. 4. Contracted Services (over), due to a combination of over-/under expenditure, mainly on: a) G&D Contractors Service Building (under), due to delays with the appointment of contractors for Imizamo Yethu and IDA projects; b) Security Services Municipal Facilities & Other (over), due to the high demand for security services within the areas where informal settlement projects are being implemented. c) Professional Service Engineering Services Civil (under), as a result of the Kromboom Housing Project that is behind schedule due to delays in technical assessments and outstanding invoices. d) Advisory Services - Project Management (over), due to a budget misalignment as the PSP project governance was implemented earlier than planned as a result of good performances by service providers; e) G&D Professional Service - Engineering Civil (over), due to a budget misalignment at cost element level within the project. f) Demolitions (under), due to delays with the approval of planned demolition, which is anticipated to commence in February 2026; g) Building Contractors (over), where the grant funded expenditure was incorrectly captured against City funding. *Continued on next page.*	The Directorate has 105 vacancies in various stages of the R&S process; 315 positions were filled while 21 positions were terminated since the beginning of the financial year. Budget realignment to be reviewed during the mid-year budget and performance assessment process. PMs of the Kromboom Housing Project to follow up on any outstanding invoices to be processed in the next reporting period. Building Contractors: the expenditure reposting will be actioned once the virement has been approved; The overall overspend at vote level is primarily attributable to accelerated and effective contractor performance across several projects, resulting in higher-than-anticipated expenditure year-to-date. In addition, there has been a significant increase in the demand for security services in areas where informal settlement projects are being implemented, driven by heightened risks of vandalism, theft, and illegal occupation of project sites. The resulting cash flow pressures and budget misalignment will be addressed in the January 2026 adjustments budget.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 7 - Human Settlements	*See previous page.*	*See previous page.*	5. Operational Cost (over), due to a combination of over-/under expenditure, mainly on: a) Subsidy on Homeowners Redemption (over), where the variance relates to the accounting treatment/entry for the redemption of the unrealised portion of the housing fund which is linked to the transfer of properties in respect of saleable Council Rental Units for which individuals were eligible for the Enhanced Extended Discount Benefit Scheme (EEDBS) subsidy; and b) R&M and Labour to operation (under), due to vacant positions as a result of the turnaround time to appoint staff as well as the ongoing movement of staff.	*See previous page.*
Vote 8 - Office of the City Manager	(1 524)	-0.6%	Immaterial variance.	The Directorate has 17 vacancies in various stages of the R&S process; 32 positions were filled while 11 were terminated since the beginning of the financial year.
Vote 9 - Safety & Security	(82 275)	-2.6%	The variance reflects against the following categories: 1. Employee related costs, due to a delay in filling vacancies. 2. Inventory, mainly on G&D Fuel (Petrol, Diesel & Fuel Oil), due to delays in finalising the verification of fuel slips for the Law Enforcement Advancement Plan (LEAP) project. 3. Depreciation, due to less than anticipated depreciation for the year-to-date as a result of later-than-anticipated capitalisation of assets. 4. Contracted Services, due to Security Services Other as a result of less than anticipated expenditure for the year-to-date. 5. Transfers & Subsidies, due to no payment requirements for Grants/Sponsorships (Sec 67) for the year-to-date. 6. Operational Cost, mainly on: a) G&D Labour to Grants & Donations as a result of salary recoveries that were not processed because of discrepancies between the staff reconciliation and the payroll report. b) Software Licences - Upgrade/Protection, due to less than anticipated requests received for Software Licence upgrades.	The Directorate has 773 vacancies in various stages of the R&S process; 1253 positions were filled while 185 were terminated since the beginning of the financial year. Period budget provision to be reviewed and adjusted to align with actual expenditure trends. G&D Labour to Grants & Donations: An investigation is underway. Once concluded the recoveries will be processed.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 10 - Spatial Planning & Environment	(14 112)	-1.6%	Immaterial variance.	The Directorate has 109 vacancies in various stages of the R&S process; 292 positions were filled while 23 were terminated since the beginning of the financial year.
Vote 11 - Urban Mobility	(28 283)	-1.3%	The variance is a combination of over-/under-expenditure against the following categories: 1. Employee related costs (under), due to recent vacancies of which the majority are less than 6 months. 2. Inventory Consumed (under), mainly on R&M Mat General & Consumables, due to lower than anticipated expenditure on consumables required at the depots. 3. Depreciation & Amortisation (over), due to earlier-than-anticipated capitalisation of assets. 4. Contracted Services (under), as a result of a combination of over-/under-expenditure on: a) G&D Contracted Services Building (over), due to payments processed for retentions related to AFC: Maintenance; b) Call Center (under) and G&D Call Center (over), due to the prioritisation of grant funding before own funding is utilised; and c) G&D Transportation Service: People (over), due to an incorrect allocation of expenditure against own funding instead of grant funding.	The Directorate has 169 vacancies in various stages of the R&S process; 1060 posts were filled while 55 terminations were processed since the beginning of the financial year. The Directorate is prioritising the filling of vacancies. Budgetary realignments will be effected in the January 2026 adjustments budget. Inventory Consumed and Contracted Services - Period budgets to be reviewed.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 12 - Urban Waste Management	(120 032)	-6.5%	The variance reflects against the following categories: 1. Employee related costs, a combination of over-/under-expenditure, mainly on: a) Basic Salaries and Wages (under), due to the turnaround time in filling vacancies; b) Wages: Mayor's Job Creation Project (over), the EPWP Seasonal tender is becoming too expensive and therefore direct employment is utilised; and c) Non-Structured Overtime (over), as a result of more than anticipated vehicle breakdowns, the overtime worked to render the services after hours, is higher than anticipated. 2. Inventory Consumed, a combination of over-/under-expenditure, mainly on: a) Materials Consumables Tools & Equipment (under), due to sufficient refuse bin stock available in stores; and b) R&M Mat General & Consumables (over), due to internal maintenance on vehicles being higher than anticipated. 3. Depreciation & amortisation (under), due to a change in the useful life of vehicles. 4. Contracted Services, a combination of over-/under-expenditure, mainly on: a) Advisory Services - Project Management and Research & Advisory (under), due to the amount of work required to ensure compliance at disposal facilities being lower than initially anticipated; b) Waste Minimisation (under), due to lower than anticipated disposal of green waste, which is consumption-driven; c) Haulage (under), where the amount of waste being hauled to landfill sites is lower than anticipated; d) Relief Drivers, Administrative and Support Staff (under), where staff required during the festive season programme has been lower than anticipated; e) R&M Maintenance of Equipment (over), as a result of more than anticipated vehicle breakdowns, the maintenance cost is higher than anticipated; f) Litter Picking and Street Cleaning (under), where the EPWP Seasonal tender will be discontinued due to high cost, and direct employment will be utilised; and g) Refuse Removal (under), due to the Deep South area contract starting later than anticipated. 5. Operational Costs (under), mainly on: a) Hire of LDV, P/Van, Bus, Special Vehicle, due to a decline in the number of vehicles being hired as a result of the vehicle replacement plan being implemented; *Continued on next page.*	The Directorate has 465 vacancies in various stages of the R&S process; 583 positions were filled while 75 terminations were processed since the beginning of the financial year. Budget provisions will be reviewed and amended in the January 2026 adjustments budget.

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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	*See previous page.*	*See previous page.*	b) Rehabilitation Costs Actual Expenditure, where the contractor appointed to complete the work at the Bellville landfill site has stepped away from the project and processes are being put into place to appoint an alternative contractor to complete the work; and c) Uniform & Protective Clothing, due to less protective clothing item replacements. 6. Losses on disposal of Assets (over), due to a number of vehicle hijackings resulting in the damaged vehicles being sold at a loss.	*See previous page.*
Vote 13 - Water & Sanitation	(185 907)	-2.9%	The variance is a combination of over-/under- expenditure against the following categories: 1. Employee related costs (under), a combination of over-/under-expenditure mainly on: a) Basic Salaries and Wages, Pension Scheme Employer Contribution, and Medical Aid (under), due to a number of vacant positions within the directorate that are at various stages of the R&S process; b) Wages: Mayor's Job Creation Project (under), due to delays in the appointment of EPWP workers, as the process of receiving names of jobseekers through the randomisation process has taken longer than anticipated; and c) Overtime (over), due to increased service notifications and the need to address backlogs within the Reticulation branch. 2. Inventory Consumed (over), due to a combination of over-/under-expenditure on: a) Chemicals (under), where the Faure Water Treatment Plant (WTP) is operating at reduced flow capacity and intermittent forced shutdowns during the month resulted in lower chemical consumption; b) Inventory consumed: Bulk Water and Reticulation (over), as a result of the water consumption by customers being slightly higher than the budgeted volumes in the inventory system; c) Inventory consumed: Reticulation Unmetered (over) and Informal (under), due to changes in the calculation methodology; and d) R&M Material General & Consumables (under), due to lower than anticipated actual expenditure which includes materials being ordered later than anticipated. The budget was based on the previous financial year’s trend, and potential savings may be realised. *Continued on next page*.	The Directorate has 779 vacancies at various stages of the R&S process; 555 posts were filled while 93 terminations were processed since the beginning of the financial year. Budgetary realignments will be effected in the January 2026 adjustments budget. R&M Mat General & Consumables - In addition to the Adjustment Budget realignments, the trend will be monitored, and further refinement will be performed where required. G&D Advisory Services will be adjusted downwards during the January adjustment budget process due to projects being rephased to the outer years.

Table continues on next page.

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.*	3. Contracted Services (under), due to a combination of over-/under-expenditure on: a) Advisory Services - Research & Advisory (under), due to a misalignment between the period budget and the timing of project milestones achieved; b) Professional Services - Engineering: Civil (over), due to a misalignment between the period plan and, the timing and scope of work executed by professional service providers; c) G&D Advisory Services – Research & Advisory (under), due to delays and changes in the implementation within the following projects: i) The initial professional services tender funded by KfW was cancelled. Three alternative tenders are currently in the evaluation stage, but it is anticipated that the full grant allocation will not be spent in the current financial year. ii) The implementation of the technical assistance tender, funded by KfW, has been delayed, with expenditure expected to increase in future periods. iii) The community facilitation project funded by the Bill & Melinda Gates Foundation has experienced delays. The full grant allocation might not be spent in the current financial year. d) Meter Management (under), due to outstanding contractor invoices. Additionally, savings have been identified as the current tender operates on a scaled-down, month-to-month basis. 4. Operational Cost (under), mainly on: a) R&M Hire Charges, due to the suspension of reservoir cleaning caused by unplanned operational disruptions at Bulk Water Plants; b) R&M Hire of LDV, PVan, Bus, due to lower than anticipated hiring of fleet for pond cleaning within the Wastewater branch; c) Electricity, due to downward fluctuations in electricity usage at some of the bulk water plants; d) Bulk Water: Levy (Berg Water Project), due to the tariff for 2025/26 being lower than anticipated; and e) Water Resource Management Charge DWS, due to outstanding invoices from DWS. 5. Other Losses (over), due to a combination of over-/under-expenditure on: a) Inventory consumed: Real: Leakage B/Water (under), due to losses for bulk water being lower than the budgeted volumes in the inventory system; b) Inventory consumed: Real: Leakage R/Water (over), due to losses for reticulation being higher than the budgeted volumes in the inventory system. c) Inventory consumed: Non-Revenue: Other (under), due to the revision of the amount calculated for non-revenue water (other).	*See previous page.*

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure By Type				
Employee related costs	(402 610)	-3.9%	The variance is mainly due to: 1. The turnaround time in filling vacancies. 2. The internal filling of vacancies. 3. Slower than planned implementation of job creation projects (EPWP).	The City had 3510 vacancies as at 31 December 2025; 6477 positions were filled (2030 internal, 822 external, 922 rehire, 2567 EPWP) with 790 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	(5 696)	-5.7%	Immaterial variance.	-
Bulk purchases - electricity	(41 036)	-0.5%	The variance is due to Eskom structural changes made to bulk purchases.	The period budget provisions will be amended once a trend is determined for the period bulk purchases.
Inventory consumed	(24 835)	-0.8%	The variance is a combination of over-/under-recovery against the following categories: 1. Chemicals (under), where the Faure Water Treatment Plant (WTP) is operating at reduced flow capacity and intermittent forced shutdowns during the month resulted in lower chemical consumption; 2. Materials Consumables Tools & Equipment (under), due to sufficient refuse bin stock being available in stores; 3. Inventory consumed: Bulk Water and Reticulation (over), as a result of the water consumption by customers being slightly higher than the budgeted volumes in the inventory system; and 4. Inventory consumed: Reticulation Unmetered (over) and Informal (under), due to changes in the calculation methodology.	The budget to be reviewed in the January 2026 adjustments budget.
Debt impairment	(249 643)	-15.6%	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 0.22% (R3,6 million over expenditure).	The budget to be reviewed in the January 2026 adjustments budget.

Table continues on next page.

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure By Type				
Depreciation and amortisation	(44 823)	-2.3%	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.	The budget to be adjusted in the January 2026 adjustments budget.
Interest	(221 028)	-31.8%	The variance is due to the delayed drawdown of loans as informed by the City's financing strategy resulting in savings on external interest payable for the year-to-date.	The budget to be adjusted downwards in the January 2026 adjustments budget.
Contracted services	3 378	0.1%	Immaterial variance.	-
Transfers and subsidies	(33 303)	-16.3%	The variance is mainly on Grants/Sponsorships, due to the first tranche payment to Cape Town Tourism, initially budgeted for under Grants & Sponsorships, but processed against Contracted Services in compliance with Circular 131; Additionally, the Cape Town Tourism payment was less than anticipated.	The budget to be adjusted and period budget provisions to be reviewed in the January 2026 adjustments budget.
Irrecoverable debts written off	253 196	831.4%	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 0.22% (R3,6 million over expenditure).	The budget to be adjusted upwards in the January 2026 adjustments budget.

Table continues on next page.

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure By Type				
Operational costs	(146 578)	-7.6%	The variance is a mainly on: 1. G&D Labour to Grants & Donations (under), as a result of salary recoveries that were not processed due to discrepancies between the staff reconciliation and the payroll report; 2. R&M Hire of LDV, PVan, Bus, due to lower than anticipated hiring of fleet for pond cleaning within the Wastewater branch; 3. Electricity, due to downward fluctuations in electricity usage at some of the bulk water plants; 4. Bulk Water: Levy (Berg Water Project), due to the tariff for 2025/26 being lower than anticipated; 5. Software Licences - Upgrade/Protection, due to less than anticipated requests received for Software Licence upgrades; and 6. Rehabilitation Costs Actual Expenditure, where the contractor appointed to complete the work at the Bellville landfill site has stepped away from the project and processes are being put into place to appoint an alternative contractor to complete the work.	G&D Labour to Grants & Donations: An investigation is underway. Once concluded the recoveries will be processed. The budget to be adjusted and period budget provisions to be reviewed in the January 2026 adjustments budget.
Losses on Disposal of Assets	6 041	389.6%	The variance is due to a number of vehicle hijackings resulting in the damaged vehicles being sold at a loss.	The budget to be adjusted upwards in the January 2026 adjustments budget.
Other Losses	181 700	101.0%	The variance is a combination of over-/under expenditure against the following categories: 1. Net losses 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; 2. Inventory consumed: Real: Leakage B/Water (under), due to losses for bulk water being lower than the budgeted volumes in the inventory system; 3. Inventory consumed: Real: Leakage R/Water (over), due to losses for reticulation being higher than the budgeted volumes in the inventory system. 4. Inventory consumed: Non-Revenue: Other (under), due to the revision of the amount calculated for non-revenue water (other).	The budget to be adjusted and period budget provisions to be reviewed in the January 2026 adjustments budget.

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	(8 289)	-5.3%	The negative variance reflects mainly on the following projects: 1. Upgrades to Clinics - East FY26, where the project experienced initial delays due to quotations being received later than anticipated. Purchase orders for Professional Service Provider (PSP) appointments have been issued, and they are now moving forward with concluding the detailed designs. Further delays are experienced due to unavailability of approved plans, resulting in a portion of this project being rephased to 2026/27. 2. Tafelsig Clinic - Extension and Upgrade Phase 2, where the project is delayed due to an appeal process that was upheld and referred back to the Bid Evaluation Committee (BEC).	Budget and cash flows will be amended in the January 2026 adjustments budget.
Vote 2 - Corporate Services	(41 259)	-15.5%	The negative variance is mainly attributed to changes across several projects: 1. Plant Replacement FY26, which is currently behind schedule due to delivery delays resulting from a breach of contract. 2. Computers: Additional Councillor Support FY26, where orders have been placed; however, delivery remains pending due to stock shortages.	1. The Fleet Contract Management Unit is addressing the matter. 2. The Project Manager (PM) is following up with the vendor and further orders to be placed in February 2026. Cash flows will be amended in the January 2026 adjustments budget.
Vote 3 - Economic Growth	(23 158)	-49.7%	The negative variance reflects mainly on the following projects: 1. Parow New Built Informal Trading Structures; and 2. Goodwood New Built Informal Trading Structure, where some orders were placed later than anticipated due to the delayed receipt of quotations. 3. Upgrade: Fence and Infrastructure, Good Hope Centre, where orders were placed for quotations already received, whilst outstanding quotations are causing delays.	PM is actively engaging with PSPs to secure early submission of outstanding quotations to allow for the timely processing of additional orders. Orders are anticipated to be placed in January and February 2026.

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 4 - Energy	(10 510)	-1.6%	Immaterial variance.	-
Vote 5 - Finance	(1 702)	-5.8%	The negative variance reflects mainly on the LED Big Screen Replacement project, where the project experienced initial delays as the tendering process took longer than anticipated due to received appeals. Additional delays arose from contractual obligations, further impacting progress.	Orders have been placed. The project is in progress and anticipated to be completed by May 2026. Cash flows to be amended in the January 2026 adjustments budget.
Vote 6 - Future Planning & Resilience	(1 147)	-19.8%	The negative variance reflects mainly on the following projects: 1. Printers: FY26 Replacement, where the project is behind schedule as the initial tender was cancelled as no successful bidders were identified. 2. Computer Equipment: Replacement FY26, where the laptops delivered did not match the specifications indicated on the purchase order.	1. Orders have since been placed; awaiting delivery. Further orders will be placed in January 2026. 2. The vendor collected the laptops and advised that the correct specification laptops will only be delivered in January 2026.
Vote 7 - Human Settlements	(24 498)	-3.8%	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 8 - Office of the City Manager	(6 470)	-74.0%	The negative variance reflects mainly on the following projects: 1. Case Management System Project, where the tender price came in higher than anticipated, which resulted in an additional funding requirement before the project can commence. 2. Digital Forensic Laboratory Construction, where the project is delayed due to the selection of an alternative location, as the original site posed operational risks to laboratory activities. Construction at the new location was dependent on the relocation of multiple tenants, which resulted in further delays to the construction timeline. 3. Digital Forensics Tools & Hardware: Add FY26 Project, is behind schedule due to the cancellation of the initial tender which had to be re-advertised as a result of no successful bidders.	1. Budget and cash flows to be amended in the January 2026 adjustments budget. 2. Some orders have been placed. Delivery is expected by the end of January 2026 with further orders to be placed in January 2026. 3. The replacement tender 029S/2025/26 is serving at the Bid Adjudication Committee (BAC) and will replace tender 242S/2024/25.
Vote 9 - Safety & Security	(27 685)	-12.5%	The negative variance reflects mainly on the following projects: 1. EPIC Portable Printers: Add FY26, where orders could only be placed after the approval to make use of transversal tender 140G/2023/24 which was obtained later than anticipated. 2. Orders on the following projects were placed later than anticipated as the process of vetting quotations took longer than initially anticipated: a) Langa Fire Station Construction; and b) Fire Facilities Minor Upgrade. 3. Law Enforcement Facilities Minor Upgrade: Build FY26, where the invoice for work done in December 2025 was received after month-end and is being vetted for payment in January 2026. 4. Delays in delivery due to unavailability of stock on the following projects: a) Furniture and Office Equipment; b) CCTV; c) Specialised Vehicles - Tow Truck FY26; and d) IT Equipment. 5. Mfuleni Fire Station Upgrade, where detailed design commenced later than anticipated due to concept design only being approved in November 2025. 6. Vehicles: Additional FY26, where orders were placed later than anticipated due to delays with the activation of items required on tender 213G/2023/24.	PMs together with the support of the finance manager/heads will continue to closely monitor and ensure that projects are implemented within the prescribed timelines. Cash flows will be amended in the January 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 10 - Spatial Planning & Environment	(30 806)	-15.7%	The negative variance is mainly due to: 1. Outstanding invoices for work done in December 2025 on the following projects: a) Muizenberg Beach Front Upgrade; b) Philippi Fresh Produce Market Refurbish; c) Table View Beachfront Upgrade; d) Strand Sea Wall Upgrade; e) Fencing: Blaauwberg Nature Reserve Phase 2; and f) Fencing: Helderberg Nature Reserve Phase 2. 2. Bracken Visitor EEC Refurbishment, where the contractor remains behind schedule and continues to struggle with poor performance. 3. Vehicles: Additional FY26, where the vendor was unable to deliver the vehicles before the expiry of tender 77G/2021/22. 4. Bonteheuwel Ablutions Upgrade, where the PM is awaiting a revised quotation, as the initial quote did not include all items.	1. The PM following up on outstanding invoices. 2. Penalties are being imposed, and payment will take place once penalties have been finalised. 3. Orders have been placed via vehicle replacement tender 213G/23/24. 4. Purchase order to be issued upon the receipt of the revised quotation, which is expected in January 2026. Cash flows will be amended in the January 2026 adjustments budget.
Vote 11 - Urban Mobility	(142 166)	-11.7%	The negative variance reflects predominantly on the following projects within the IRT Phase 2 A programme: 1. IRT Ph2A: Trunk-E2-M9 Duinefontein Railway - Intsikizi, where the addition of an additional contractor in the same works area has called for a revised construction programme, however, the progress rate has been regressive due to challenges of having two main contractors working in the same section and finding ways to progress alongside each other. 2. IRT Ph2A:Trunk-E3-M9 Intsikizi-Morning Star, where construction progress has been considerably slower than anticipated, primarily due to under performance by the contractor. 3. IRT Ph2A:W1-Roadway-Imam Haron/Chichester, where the PM is following up on the outstanding invoice. 4. IRT Ph2A: Station Const: Claremont-Mitchells Plain, which is behind schedule as result of challenges experienced with service relocations.	1. The identified challenge is being addressed through reprogramming and enhanced coordination between the civil works contractor and the bulk watermain contractor, with the objective of increasing the overall rate of production. A coordinated programme is currently under development and is expected to be submitted by mid-February 2026. Budget and cash flows will be amended in the January 2026 adjustments budget.
Vote 12 - Urban Waste Management	(38 134)	-13.8%	The negative variance mainly relates to the Vehicles: Replacement FY26 Project, which is behind planned expenditure due to delays in delivery of certain items that have taken longer than initially anticipated.	The PM is actively engaging with the service provider to expedite delivery. In addition, savings have been realised based on the latest Contract Price Adjustment (CPA) calculation. The budget and cash flows will be amended in the January 2026 adjustments budget.
Vote 13 - Water & Sanitation	59 234	3.6%	Immaterial variance.	-

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	252 863	3.6%	Higher than anticipated property rates received	No corrective action required.
Service charges	(164 402)	-0.9%	Immaterial variance.	-
Other revenue	1 747 178	58.1%	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	514 867	10.6%	Grants received were higher than anticipated. Moreover, the system is unable to distinguish between operating- and capital grants at the time of receipt.	No corrective action required.
Government - capital	239 602	12.5%	Grants received were higher than anticipated. Moreover, the system is unable to distinguish between operating- and capital grants at the time of receipt.	No corrective action required.
Interest	359 046	78.6%	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	64 906	-0.2%	Immaterial variance.	-
Finance charges	107 119	-30.7%	The variance is due to the IFC loan drawdown in August 2025. At the time of preparation of the original budget, the timing of the disbursement of the IFC loan was not yet finalised due to a better than expected cash flow position. The decision to disburse in August 2025 was made after the budget was finalised due to favourable interest rates.	To be amended in the January 2026 adjustments budget.
Transfers and Grants	(161 285)	99.0%	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	**(2 938 413)**	**-88.1%**		
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	–	-	-	-
Decrease (Increase) in non-current debtors	–	-	-	-
Decrease (increase) other non-current receivables	–	-	-	-
Decrease (increase) in non-current investments	–	-	-	-
Payments				
Capital assets	(131 051)	2.4%	Immaterial variance.	-
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(131 051)**	**2.4%**		
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	-	-	-
Borrowing long term/refinancing	(700 000)	-20.0%	The variance is due to a better than anticipated cash flow position, therefore the loan drawdown originally budgeted for December 2025, was not utilised.	No corrective action required.
Increase (decrease) in consumer deposits	–	-	-	-
Payments				
Repayment of borrowing	82 353	-18.0%	The variance is due to the IFC loan drawdown in August 2025. At the time of preparation of the original budget, the timing of the disbursement of the IFC loan was not yet finalised due to a better than expected cash flow position. The decision to disburse in August 2025 was made after the budget was finalised due to favourable interest rates.	To be amended in the January 2026 adjustments budget.
NET CASH FROM/(USED) FINANCING ACTIVITIES	**782 353**	**25.7%**		

Material variance explanations for corporate performance for Quarter 2 of 2026

Description of Indicator	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
16.D Total Capital Expenditure as a percentage of Total Capital Budget less contingencies (%) Target: 41% Actual: 37.4%	-3.6%	Predominantly due to delays on the following projects within the Integrated Rapid Transit (IRT) Phase 2A programme: 1. Trunk-E2-M9 Duinefontein -Railway - Intsikizi: Coordination challenges between two contractors. 2. Trunk-E3-M9 Intsikizi - Morning Star: Contractor underperformance. 3. W1 Roadway - Imam Haron/Chichester: Outstanding invoice. 4. Station Construction - Claremont - Mitchells Plain: Service relocation delays.	The identified challenge is being addressed through reprogramming and enhanced coordination between the civil works and bulk watermain contractors to improve production. A coordinated programme is under development and is expected to be submitted by mid-February 2026, with budget and cash flow amendments in the January 2026 adjustments budget.

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

Material variance explanations for capital expenditure by vote (Indicator 16.D/KOI.19) can be found in *Material variance explanations for capital expenditure by vote* on page 78.

Performance indicators

Description of financial indicator	Basis of calculation	2024/25	Budget Year 2025/26			
		Provisional 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%	3.6%	3.1%	7.2%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	86.9%	55.5%	51.7%	47.4%	54.8%
Safety of Capital						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	23.5%	36.7%	39.4%	19.8%	27.9%
Gearing	Long Term Borrowing/ Total Community Wealth	124.4%	18.3%	18.3%	11.1%	12.9%
Liquidity						
Current Ratio	Current assets/current liabilities	1.7	1.6	1.5	2.2	1.6
Liquidity Ratio	Cash and Cash Equivalents/Current Liabilities	1.1	0.8	0.8	1.3	0.9
Revenue Management						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	12.4%	15.0%	14.9%	21.2%	13.8%
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%	29.5%	26.8%	29.1%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	8.8%	9.7%	9.7%	7.4%	9.6%
Interest & Depreciation	I&D/Total Revenue - capital revenue	6.9%	7.6%	7.6%	6.4%	7.1%

Aged Creditors

Description R thousands	Budget Year 2025/26									Prior year totals (same period)
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type										
Bulk Electricity	–	–	–	–	–	–	–	–	**–**	–
Bulk Water	–	–	–	–	–	–	–	–	**–**	–
PAYE deductions	–	–	–	–	–	–	–	–	**–**	–
VAT (output less input)	–	–	–	–	–	–	–	–	**–**	–
Pensions / Retirement deductions	–	–	–	–	–	–	–	–	**–**	–
Loan repayments	–	–	–	–	–	–	–	–	**–**	–
Trade Creditors	17 359	807	1 366	6	–	–	1	1	**19 541**	14 367
Auditor General	–	–	–	–	–	–	–	–	**–**	–
Other	–	–	–	–	–	–	–	–	**–**	–
Medical Aid deductions	–	–	–	–	–	–	–	–	**–**	–
Total By Customer Type	**17 359**	**807**	**1 366**	**6**	**–**	**–**	**1**	**1**	**19 541**	**14 367**

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	589 474	96 808	63 708	63 538	58 491	48 261	301 341	1 403 156	2 624 777	1 874 787	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	891 965	70 505	56 039	(10 947)	47 546	25 760	147 546	485 913	1 714 327	695 818	–	–
Receivables from Non-exchange Transactions - Property Rates	808 259	108 843	69 840	51 052	44 262	35 129	213 174	941 060	2 271 619	1 284 676	–	–
Receivables from Exchange Transactions - Waste Water Management	299 717	42 902	34 972	24 155	25 953	17 823	112 777	528 158	1 086 457	708 865	–	–
Receivables from Exchange Transactions - Waste Management	119 246	22 387	15 656	13 665	14 943	11 338	64 941	339 283	601 459	444 169	–	–
Receivables from Exchange Transactions - Property Rental Debtors	145 059	15 679	(443)	14 972	13 767	13 663	112 225	667 438	982 360	822 065	–	–
Interest on Arrear Debtor Accounts	87 419	39 361	36 984	33 867	38 059	68	536	6 558	242 852	79 088	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–	–	–	–
Other	(70 171)	(42 982)	(30 131)	(141 832)	(116 176)	2 937	12 351	(241 248)	(627 252)	(483 968)	–	–
Total By Income Source	**2 870 970**	**353 503**	**246 625**	**48 469**	**126 845**	**154 978**	**964 890**	**4 130 318**	**8 896 598**	**5 425 500**	**–**	**–**
2024/25 - totals only	**2 862 178**	**310 520**	**210 706**	**193 629**	**71 782**	**208 408**	**1 168 735**	**4 894 298**	**9 920 257**	**6 536 852**	**–**	**–**
Debtors Age Analysis By Customer Group												
Organs of State	138 434	24 610	26 770	(116 080)	(101 086)	5 632	24 093	21 997	24 370	(165 444)	–	–
Commercial	1 207 302	70 242	43 821	34 473	44 965	11 366	114 933	298 163	1 825 265	503 900	–	–
Households	1 399 873	236 485	147 581	148 322	147 737	102 758	677 704	3 346 431	6 206 892	4 422 952	–	–
Other	125 361	22 166	28 453	(18 246)	35 229	35 222	148 161	463 726	840 072	664 092	–	–
Total By Customer Group	**2 870 970**	**353 503**	**246 625**	**48 469**	**126 845**	**154 978**	**964 890**	**4 130 318**	**8 896 598**	**5 425 500**	**–**	**–**

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	38	Fixed	6.90%	2026/01/02	30 000	176	–	–	30 176
ABSA Bank	37	Fixed	6.85%	2026/01/02	40 000	233	–	–	40 233
ABSA Bank	32	Fixed	6.90%	2026/01/02	90 000	527	–	–	90 527
ABSA Bank	38	Fixed	6.90%	2026/01/09	95 000	539	–	–	95 539
ABSA Bank	36	Fixed	6.85%	2026/01/23	55 000	145	–	–	55 145
ABSA Bank	39	Fixed	6.85%	2026/01/27	90 000	220	–	–	90 220
ABSA Bank	39	Fixed	6.85%	2026/01/27	55 000	134	–	–	55 134
ABSA Bank	39	Fixed	6.85%	2026/01/30	20 000	38	–	–	20 038
ABSA Bank	38	Fixed	6.85%	2026/01/30	75 000	127	–	–	75 127
ABSA Bank	98	Fixed	7.00%	2026/03/27	90 000	224	–	–	90 224
ABSA Bank	29	Fixed	6.85%	2026/01/09	35 000	138	–	–	35 138
ABSA Bank	30	Fixed	6.85%	2026/01/16	30 000	84	–	–	30 084
ABSA Bank	44	Fixed	6.90%	2026/01/23	120 000	499	–	–	120 499
ABSA Bank	43	Fixed	6.90%	2026/01/27	100 000	321	–	–	100 321
ABSA Bank	51	Fixed	6.90%	2026/01/28	190 000	862	–	–	190 862
ABSA Bank	80	Fixed	7.00%	2026/02/27	330 000	1 456	–	–	331 456
ABSA Bank	35	Fixed	6.85%	2026/01/28	65 000	98	–	–	65 098
ABSA Bank	37	Fixed	6.85%	2026/01/30	90 000	135	–	–	90 135
ABSA Bank	39	Fixed	6.78%	2026/02/06	40 000	22	–	–	40 022
ABSA Bank	39	Fixed	6.78%	2026/02/06	45 000	25	–	–	45 025
ABSA Bank	45	Fixed	6.85%	2026/02/13	30 000	11	–	–	30 011
ABSA Bank	44	Fixed	6.80%	2026/02/13	40 000	7	–	–	40 007
ABSA Bank	44	Fixed	6.80%	2026/02/13	50 000	9	–	–	50 009
ABSA Bank	51	Fixed	6.85%	2026/02/20	35 000	7	–	–	35 007
Firstrand	38	Fixed	6.75%	2026/01/02	30 000	172	–	–	30 172
Firstrand	37	Fixed	6.75%	2026/01/02	45 000	258	–	–	45 258
Firstrand	35	Fixed	6.75%	2026/01/02	15 000	86	–	–	15 086
Firstrand	32	Fixed	6.75%	2026/01/02	85 000	487	–	–	85 487
Firstrand	38	Fixed	6.75%	2026/01/09	105 000	583	–	–	105 583
Firstrand	37	Fixed	6.75%	2026/01/09	35 000	188	–	–	35 188
Firstrand	29	Fixed	6.75%	2026/01/09	35 000	136	–	–	35 136
Firstrand	43	Fixed	6.75%	2026/01/16	175 000	906	–	–	175 906
Firstrand	30	Fixed	6.75%	2026/01/16	30 000	83	–	–	30 083
Firstrand	44	Fixed	6.75%	2026/01/23	120 000	488	–	–	120 488
Firstrand	36	Fixed	6.75%	2026/01/23	55 000	142	–	–	55 142
Firstrand	43	Fixed	6.75%	2026/01/27	95 000	299	–	–	95 299
Firstrand	39	Fixed	6.75%	2026/01/27	95 000	228	–	–	95 228
Firstrand	39	Fixed	6.75%	2026/01/27	55 000	132	–	–	55 132
Firstrand	51	Fixed	6.91%	2026/01/28	190 000	863	–	–	190 863
Firstrand	39	Fixed	6.75%	2026/01/30	25 000	46	–	–	25 046
Firstrand	38	Fixed	6.75%	2026/01/30	70 000	117	–	–	70 117
Firstrand	80	Fixed	7.00%	2026/02/27	330 000	1 456	–	–	331 456
Firstrand	98	Fixed	7.01%	2026/03/27	100 000	250	–	–	100 250
Firstrand	35	Fixed	6.75%	2026/01/28	60 000	89	–	–	60 089
Firstrand	37	Fixed	6.75%	2026/01/30	90 000	133	–	–	90 133

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	39	Fixed	6.75%	2026/02/06	50 000	28	–	–	50 028
Firstrand	39	Fixed	6.75%	2026/02/06	65 000	36	–	–	65 036
Firstrand	45	Fixed	6.80%	2026/02/13	30 000	11	–	–	30 011
Firstrand	44	Fixed	6.80%	2026/02/13	30 000	6	–	–	30 006
Firstrand	44	Fixed	6.80%	2026/02/13	40 000	7	–	–	40 007
Firstrand	44	Fixed	6.80%	2026/02/13	55 000	10	–	–	55 010
Firstrand	51	Fixed	6.82%	2026/02/20	25 000	5	–	–	25 005
Investec Bank	38	Fixed	6.93%	2026/01/02	10 000	59	–	–	10 059
Investec Bank	37	Fixed	6.95%	2026/01/02	15 000	89	–	–	15 089
Investec Bank	35	Fixed	6.85%	2026/01/02	115 000	669	–	–	115 669
Investec Bank	35	Fixed	6.85%	2026/01/02	10 000	58	–	–	10 058
Investec Bank	32	Fixed	6.85%	2026/01/02	85 000	495	–	–	85 495
Investec Bank	37	Fixed	6.85%	2026/01/09	35 000	190	–	–	35 190
Investec Bank	43	Fixed	6.88%	2026/01/16	35 000	185	–	–	35 185
Investec Bank	39	Fixed	6.88%	2026/01/27	35 000	86	–	–	35 086
Investec Bank	39	Fixed	6.88%	2026/01/27	20 000	49	–	–	20 049
Investec Bank	51	Fixed	6.90%	2026/01/28	190 000	862	–	–	190 862
Investec Bank	80	Fixed	7.00%	2026/02/27	330 000	1 456	–	–	331 456
Investec Bank	98	Fixed	7.03%	2026/03/27	90 000	225	–	–	90 225
Investec Bank	44	Fixed	6.88%	2026/02/13	10 000	2	–	–	10 002
Investec Bank	44	Fixed	6.88%	2026/02/13	10 000	2	–	–	10 002
Investec Bank	51	Fixed	6.90%	2026/02/20	15 000	3	–	–	15 003
Investec Bank	51	Fixed	6.90%	2026/02/20	15 000	3	–	–	15 003
Nedbank	365	Fixed	7.70%	2026/06/30	39 648	259	–	–	39 907
Nedbank	365	Fixed	7.70%	2026/06/30	49 575	324	–	–	49 899
Nedbank	365	Fixed	7.70%	2026/06/30	62 100	406	–	–	62 506
Nedbank	365	Fixed	7.70%	2026/06/30	715	5	–	–	720
Nedbank	365	Fixed	7.70%	2026/06/30	590	4	–	–	594
Nedbank	365	Fixed	7.70%	2026/06/30	13 900	91	–	–	13 991
Nedbank	365	Fixed	7.70%	2026/06/30	290	2	–	–	292
Nedbank	365	Fixed	7.70%	2026/06/30	1 479	10	–	–	1 489
Nedbank	365	Fixed	7.70%	2026/06/30	28 000	183	–	–	28 183
Nedbank	365	Fixed	7.70%	2026/06/30	38 596	252	–	–	38 848
Nedbank	365	Fixed	7.70%	2026/06/30	25 116	164	–	–	25 281
Nedbank	365	Fixed	7.70%	2026/06/30	22 161	145	–	–	22 306
Nedbank	365	Fixed	7.70%	2026/06/30	17 465	114	–	–	17 580
Nedbank	365	Fixed	7.70%	2026/06/30	23 042	151	–	–	23 193
Nedbank	190	Fixed	7.10%	2026/06/30	13 400	81	–	–	13 481
Nedbank	38	Fixed	6.95%	2026/01/02	20 000	118	–	–	20 118
Nedbank	37	Fixed	6.95%	2026/01/02	35 000	207	–	–	35 207
Nedbank	32	Fixed	6.95%	2026/01/02	85 000	502	–	–	85 502
Nedbank	38	Fixed	6.95%	2026/01/09	65 000	371	–	–	65 371
Nedbank	29	Fixed	6.95%	2026/01/09	35 000	140	–	–	35 140
Nedbank	43	Fixed	7.00%	2026/01/16	60 000	322	–	–	60 322
Nedbank	30	Fixed	6.95%	2026/01/16	20 000	57	–	–	20 057
Nedbank	36	Fixed	6.95%	2026/01/23	55 000	147	–	–	55 147
Nedbank	43	Fixed	7.00%	2026/01/27	10 000	33	–	–	10 033
Nedbank	39	Fixed	6.95%	2026/01/27	65 000	161	–	–	65 161
Nedbank	39	Fixed	6.95%	2026/01/27	50 000	124	–	–	50 124
Nedbank	51	Fixed	7.00%	2026/01/28	190 000	875	–	–	190 875
Nedbank	39	Fixed	6.95%	2026/01/30	30 000	57	–	–	30 057
Nedbank	80	Fixed	7.05%	2026/02/27	335 000	1 488	–	–	336 488
Nedbank	98	Fixed	7.10%	2026/03/27	105 000	266	–	–	105 266
Nedbank	37	Fixed	7.00%	2026/01/30	65 000	100	–	–	65 100

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	39	Fixed	7.00%	2026/02/06	65 000	37	–	–	65 037
Nedbank	45	Fixed	7.00%	2026/02/13	50 000	19	–	–	50 019
Nedbank	44	Fixed	7.00%	2026/02/13	10 000	2	–	–	10 002
Nedbank	44	Fixed	7.00%	2026/02/13	25 000	5	–	–	25 005
Nedbank	44	Fixed	7.00%	2026/02/13	35 000	7	–	–	35 007
Nedbank	51	Fixed	7.00%	2026/02/20	40 000	8	–	–	40 008
Standard Bank	38	Fixed	6.96%	2026/01/02	30 000	177	–	–	30 177
Standard Bank	37	Fixed	6.96%	2026/01/02	35 000	207	–	–	35 207
Standard Bank	32	Fixed	6.95%	2026/01/02	85 000	502	–	–	85 502
Standard Bank	38	Fixed	6.96%	2026/01/09	55 000	315	–	–	55 315
Standard Bank	37	Fixed	6.96%	2026/01/09	35 000	194	–	–	35 194
Standard Bank	29	Fixed	6.94%	2026/01/09	40 000	160	–	–	40 160
Standard Bank	43	Fixed	6.96%	2026/01/16	130 000	694	–	–	130 694
Standard Bank	30	Fixed	6.95%	2026/01/16	30 000	86	–	–	30 086
Standard Bank	44	Fixed	6.97%	2026/01/23	125 000	525	–	–	125 525
Standard Bank	36	Fixed	6.95%	2026/01/23	55 000	147	–	–	55 147
Standard Bank	43	Fixed	6.96%	2026/01/27	100 000	324	–	–	100 324
Standard Bank	39	Fixed	6.95%	2026/01/27	85 000	210	–	–	85 210
Standard Bank	39	Fixed	6.95%	2026/01/27	50 000	124	–	–	50 124
Standard Bank	51	Fixed	6.98%	2026/01/28	190 000	872	–	–	190 872
Standard Bank	39	Fixed	6.96%	2026/01/30	30 000	57	–	–	30 057
Standard Bank	38	Fixed	6.96%	2026/01/30	85 000	146	–	–	85 146
Standard Bank	80	Fixed	7.15%	2026/02/27	345 000	1 554	–	–	346 554
Standard Bank	98	Fixed	7.16%	2026/03/27	110 000	281	–	–	110 281
Standard Bank	35	Fixed	6.95%	2026/01/28	55 000	84	–	–	55 084
Standard Bank	37	Fixed	6.96%	2026/01/30	95 000	145	–	–	95 145
Standard Bank	39	Fixed	6.96%	2026/02/06	140 000	80	–	–	140 080
Standard Bank	45	Fixed	6.96%	2026/02/13	40 000	15	–	–	40 015
Standard Bank	44	Fixed	6.96%	2026/02/13	40 000	8	–	–	40 008
Standard Bank	44	Fixed	6.96%	2026/02/13	50 000	10	–	–	50 010
Standard Bank	51	Fixed	6.97%	2026/02/20	75 000	14	–	–	75 014
Standard Bank	51	Fixed	6.97%	2026/02/20	15 000	3	–	–	15 003
ABSA Bank	-	Call deposit	6.75%	-	662 384	2 949	(170 000)	–	495 332
Firstrand Bank	-	Call deposit	6.60%	-	457 144	2 326	(57 144)	–	402 326
Investec Bank	-	Call deposit	6.50%	-	160 769	1 377	(75 769)	200 000	286 377
Nedbank	-	Call deposit	6.60%	-	141 551	2 013	(256 551)	495 000	382 013
Standard Bank	-	Call deposit	6.75%	-	593 010	2 933	(93 010)	–	502 933
Nedbank current account	-	Current account	6.55%	-	665 601	1 483	(418 434)	–	248 650
Fund Managers	-	-	-	-	10 025 059	69 326	–	–	10 094 386
Cash in transit	-	-	-	-	67 434	(63 048)	–	–	4 386
CTICC	-	-	-	-	271 435	–	–	–	271 435
COID	-	-	-	-	50 284	(52)	–	–	50 232
Shares in Atlantis Special Economic Zone Company SOC Ltd	-	-	-	-	56 500	–	–	–	56 500
TOTAL INVESTMENTS AND INTEREST					**22 057 249**		**(1 070 908)**	**695 000**	**21 732 528**

Transfers and grants expenditure

Description R thousands	2024/25 Provisional Outcome	Budget Year 2025/26 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**	**5 774 169**	**3 851 543**	**3 856 403**	**(4 860)**	**-0.1%**	**5 769 789**
Local Government Equitable Share	4 365 700	4 693 517	4 693 517	3 520 138	3 520 138	–	-	4 693 517
Finance Management grant	996	1 000	1 000	300	300	–	-	1 000
Urban Settlements Development Grant	39 952	199 548	199 548	22 746	22 865	(119)	-0.5%	164 268
Energy Efficiency and Demand Side Management Grant	866	980	980	128	462	(333)	-72.2%	1 450
Department of Environmental Affairs and Tourism	384	–	–	–	–	–	-	–
Expanded Public Works Programme	26 268	14 926	14 926	14 870	14 637	233	1.6%	15 310
Infrastructure Skills Development	13 952	25 600	25 600	9 671	12 239	(2 568)	-21.0%	25 600
Public Transport Network Grant	545 018	571 325	571 325	198 937	195 153	3 783	1.9%	571 325
Informal Settlements Upgrading Partnership Grant	26 678	97 240	97 240	12 174	16 008	(3 834)	-24.0%	97 459
GBS Grant	(134)	–	–	–	–	–	-	–
National Skills Fund	1 446	–	–	–	–	–	-	–
Programme And Project Preparation Support Grant	76 797	57 600	57 600	29 630	29 798	(168)	-0.6%	–
Public Emloyment Program (NT PEP)	121 454	90 000	90 000	42 949	44 803	(1 854)	-4.1%	–
Neighbourhood Development Partnership Grant	–	22 434	22 434	–	–	–	-	–
Municipal Disaster Recovery Grant	2 467	–	–	–	–	–	-	13 757
Urban Development Financing Grant	–	–	–	–	–	–	-	183 252
State Dept: RLCC	–	–	–	–	–	–	-	2 851
Regional Land Claims	696	–	–	–	–	–	-	–
Provincial Government:	1 117 802	1 438 018	1 529 783	656 733	645 020	11 713	1.8%	1 487 253
Cultural Affairs and Sport - Provincial Library Services	56 354	57 473	57 473	27 197	24 446	2 751	11.3%	58 508
Cultural Affairs and Sport - Library Services: Transfer funding to enable City of Cape Town to procure periodicals and newspapers	1 438	–	–	–	–	–	-	39
Human Settlements - Human Settlement Development Grant	233 188	304 420	396 185	122 157	108 695	13 462	12.4%	351 070
Health - TB	30 774	31 602	31 602	16 626	14 130	2 496	17.7%	31 602
Health - ARV	260 986	299 819	299 819	139 995	112 137	27 858	24.8%	299 819
Health - Nutrition	3 347	6 068	6 068	3 590	2 702	889	32.9%	6 068
Health - Vaccines	88 033	100 644	100 644	37 569	38 204	(635)	-1.7%	100 644
Comprehensive Health	–	204 230	204 230	85 096	85 096	–	-	204 230
LEAP	353 000	350 000	350 000	185 503	219 123	(33 620)	-15.3%	350 000
Transport and Public Works - Provision for persons with special needs	10 175	10 000	10 000	10 000	10 000	–	-	10 040
Community Safety - Law Enforcement Auxiliary Services	5 393	1 800	1 800	1 298	1 620	(322)	-19.9%	1 800
Community Development Workers	829	1 018	1 018	158	52	106	203.6%	1 240
Tourism Safety Law Enforcement Unit	2 000	2 000	2 000	956	650	306	47.1%	2 000
Municipal accreditation and capacity building grant	11 796	18 497	18 497	6 618	7 944	(1 326)	-16.7%	18 719
Human Settlements -Informal Settlements	398	–	–	–	–	–	-	–
Finance Management Capacity Building Grant	150	–	–	–	–	–	-	1
Transport Systems - Public Transport Safety	4 577	8 236	8 236	–	6 093	(6 093)	-100.0%	8 236
Western Cape Department of Education: Schools Resource Officers	24 078	35 040	35 040	16 204	13 027	3 177	24.4%	31 154
Human Settlements - Human Settlement Development Grant TDRG	–	7 171	7 171	3 765	1 100	2 665	242.3%	7 202
Law Enforcement Officers for Health Facilities	4 311	–	–	–	–	–	-	4 579
Title Deeds Restoration	10 676	–	–	–	–	–	-	–
NHBRC Enrolment Fess	15 953	–	–	–	–	–	-	–
Municipal Service Delivery and Capacity Building Grant	346	–	–	–	–	–	-	304
Other grant providers:	**61 099**	**117 374**	**125 318**	**17 008**	**30 947**	**(13 939)**	**-45.0%**	**99 062**
CID	(7 252)	63 230	63 230	3 500	10 692	(7 192)	-67.3%	12 460
KFW- Technical Assistance (GDB)	57	12 000	19 943	194	5 000	(4 806)	-96.1%	19 943
State Dept: RLCC	–	7 900	7 900	1 014	2 442	(1 428)	-58.5%	–
Gates Foundation	19 264	–	–	–	–	–	-	–
National Treasury - Interest	42 277	29 586	29 586	9 937	10 195	(257)	-2.5%	65 885
The Cape Academy for MST	(206)	–	–	–	–	–	-	–
Sustainable Energy Africa	–	–	–	–	–	–	-	237
CMTF	6 363	–	–	–	–	–	-	–
Department of Environmental Affairs and Tourism	–	220	220	–	70	(70)	-100.0%	–
Law Enforcement Officers for Health Facilities	–	4 438	4 438	2 362	2 548	(186)	-7.3%	–
Total operating expenditure of Transfers and Grants:	**6 401 440**	**7 329 561**	**7 429 270**	**4 525 284**	**4 532 370**	**(7 086)**	**-0.2%**	**7 356 104**

Table continues on next page.

Description R thousands	2024/25 Provisional 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**	**3 735 882**	**1 504 636**	**1 527 006**	**(22 370)**	**-1.5%**	**3 647 699**
Minerals and Energy: Energy Efficiency and Demand Side Management Grant	6 100	6 020	6 020	2 617	3 250	(633)	-19.5%	5 550
National Treasury: Infrastructure Skills Development Grant	48	600	600	582	599	(17)	-2.8%	600
National Treasury: Informal Settlements Upgrading Partnership Grant: Municipalities	437 210	522 287	522 287	185 170	222 636	(37 466)	-16.8%	484 517
National Treasury: Neighbourhood Development Partnership Grant	30 192	12 066	12 066	9 582	10 833	(1 252)	-11.6%	11 866
Transport: Public Transport Network Grant	254 118	401 162	401 162	171 774	166 955	4 819	2.9%	400 362
National Treasury: Public Transport Network: Budget Facility for Infrastructure Grant	917 985	1 905 000	1 905 000	650 454	755 364	(104 910)	-13.9%	1 904 694
National Treasury: Urban Settlements Development Grant	939 516	888 746	888 746	484 457	367 369	117 088	31.9%	840 110
Provincial Government:	**14 308**	**6 657**	**6 657**	**5 349**	**6 357**	**(1 008)**	**-15.9%**	**6 804**
Cultural Affairs and Sport: Library Services: Metro Library Grant	5 992	6 097	6 097	4 910	5 797	(887)	-15.3%	6 365
Provincial Government: Municipal Accreditation and Capacity Building Grant	–	560	560	439	560	(121)	-21.6%	439
Western Cape Department of Education: Schools Resource Officers	727	–	–	–	–	–	-	–
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**	**121 621**	**32 796**	**45 079**	**(12 283)**	**-27.2%**	**107 707**
Other: Other	7 859	112 651	121 621	32 796	45 079	(12 283)	-27.2%	107 707
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	**9 008 776**	**11 184 751**	**11 293 430**	**6 068 065**	**6 110 812**	**(42 747)**	**-0.7%**	**11 118 314**

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						
	Provisional 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	172 945	81 662	86 639	(4 977)	-5.7%	172 291
Pension and UIF Contributions	3 200	3 611	3 611	1 621	1 806	(184)	-10.2%	3 395
Medical Aid Contributions	–	–	58	6	23	(17)	-75.0%	15
Motor Vehicle Allowance	256	845	845	125	436	(311)	-71.3%	270
Cellphone Allowance	9 923	10 537	10 537	4 978	5 271	(292)	-5.5%	10 504
Other benefits and allowances	10 096	9 733	9 733	5 685	5 599	86	1.5%	11 901
Sub Total - Councillors	**185 833**	**197 729**	**197 729**	**94 077**	**99 774**	**(5 696)**	**-5.7%**	**198 376**
% increase		**6.4%**	**6.4%**					**6.7%**
Senior Managers of the Municipality								
Basic Salaries and Wages	35 804	39 285	39 285	19 910	19 709	202	1.0%	38 369
Pension and UIF Contributions	2 771	4 038	4 038	1 525	2 006	(482)	-24.0%	3 041
Medical Aid Contributions	135	139	139	76	66	10	14.4%	161
Performance Bonus	1 677	–	–	–	–	–	-	–
Motor Vehicle Allowance	465	487	487	309	243	65	26.9%	326
Cellphone Allowance	585	654	654	348	328	20	6.0%	628
Other benefits and allowances	101	105	105	54	50	3	6.3%	109
Payments in lieu of leave	–	–	–	–	–	–	-	–
Long service awards	–	–	–	–	–	–	-	–
Sub Total - Senior Managers of Municipality	**41 537**	**44 708**	**44 708**	**22 221**	**22 403**	**(182)**	**-0.8%**	**42 634**
% increase		**7.6%**	**7.6%**					**2.6%**
Other Municipal Staff								
Basic Salaries and Wages	12 536 129	14 531 575	14 517 672	7 127 123	7 347 735	(220 612)	-3.0%	14 049 197
Pension and UIF Contributions	1 894 518	2 433 444	2 437 161	1 031 563	1 167 011	(135 448)	-11.6%	2 317 751
Medical Aid Contributions	1 133 885	1 296 344	1 302 645	598 181	632 769	(34 588)	-5.5%	1 276 112
Overtime	1 030 426	1 024 125	1 037 938	512 031	513 276	(1 245)	-0.2%	1 161 395
Motor Vehicle Allowance	260 866	290 430	291 341	138 149	144 648	(6 499)	-4.5%	295 009
Cellphone Allowance	46 030	54 532	55 213	25 132	26 509	(1 377)	-5.2%	57 951
Housing Allowances	68 441	72 325	72 238	35 738	35 942	(204)	-0.6%	71 599
Other benefits and allowances	445 790	490 756	483 214	233 722	225 072	8 649	3.8%	498 498
Payments in lieu of leave	175 851	123 276	127 719	42 657	57 505	(14 848)	-25.8%	139 101
Long service awards	105 780	107 935	108 199	56 151	52 446	3 705	7.1%	163 151
Post-retirement benefit obligations	779 280	412 989	412 989	205 120	205 683	(563)	-0.3%	725 061
Scarcity	–	6 651	–	–	–	–	-	6 651
Acting and post related allowance	11 059	–	4 764	4 225	3 623	601	16.6%	5 986
Sub Total - Other Municipal Staff	**18 488 055**	**20 844 382**	**20 851 093**	**10 009 792**	**10 412 220**	**(402 428)**	**-3.9%**	**20 767 460**
% increase		**12.7%**	**12.8%**					**12.3%**
Total Parent Municipality	**18 715 426**	**21 086 819**	**21 093 531**	**10 126 090**	**10 534 397**	**(408 306)**	**-3.9%**	**21 008 471**

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	(4 977)	-5.7%	The variance is due to the planned annual increase in councillor remuneration that has not yet been implemented as well as councillor vacancies for the year-to-date.	The councillor remuneration increase is expected to be implemented in February 2026, following the national minister's announcement and subsequent adoption by Council. The period budget therefore needs to be realigned.
Pension and UIF Contributions	(184)	-10.2%	Immaterial variance.	-
Medical Aid Contributions	(17)	-75.0%	Non-alignment of period budget.	The periodic budget provision will be reviewed and adjusted in line with actual trends.
Motor Vehicle Allowance	(311)	-71.3%	Non-alignment of period budget.	The periodic budget provision will be reviewed and adjusted in line with actual trends.
Cellphone Allowance	(292)	-5.5%	Immaterial variance.	-
Housing Allowances	–	-	-	-
Other benefits and allowances	86	1.5%	Immaterial variance.	-
Senior Managers of the Municipality				
Basic Salaries and Wages	202	1.0%	Immaterial variance.	-
Pension and UIF Contributions	(482)	-24.0%	The variance is due to a misalignment of the budget as a result of the structuring of TCOE of an Executive Director.	Budget realignment will be addressed during the mid-year review and adjustments budget process.
Medical Aid Contributions	10	14.4%	The variance is due to a misalignment of the budget as a result of the structuring of TCOE of an Executive Director.	Budget realignment will be addressed during the mid-year review and adjustments budget process.
Performance Bonus	–	-	-	-
Motor Vehicle Allowance	65	26.9%	The variance is due to a misalignment of the budget as a result of the structuring of TCOE of an Executive Director.	Budget realignment will be addressed during the mid-year review and adjustments budget process.
Cellphone Allowance	20	6.0%	Immaterial variance.	-
Other benefits and allowances	3	6.3%	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	(220 612)	-3.0%	The variance is mainly due to: 1. The turnaround time in filling vacancies; 2. The internal filling of vacancies; and 3. Slower than planned implementation of job creation projects (EPWP).	The City had 3510 vacancies as at 31 December 2025; 6477 positions were filled (2030 internal, 882 external, 922 rehire & 2567 EPWP) with 790 terminations processed since the beginning of the financial year. Filling of vacancies is on-going and seasonal staff are appointed as and when required. The appointment of EPWP (Job Creation) workers through the roll-out of programmes as per approved Project Identification Documents (PID) is a continuous process.
Pension and UIF Contributions	(135 448)	-11.6%	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	(34 588)	-5.5%	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	(1 245)	-0.2%	Immaterial variance.	-
Motor Vehicle Allowance	(6 499)	-4.5%	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	(1 377)	-5.2%	Immaterial variance.	-
Housing Allowances	(204)	-0.6%	Immaterial variance.	-
Other benefits and allowances	8 649	3.8%	The variance is mainly within: a) Water & Sanitation, where the standby allowances are higher than anticipated as a result of addressing service backlogs in the Reticulation Branch; b) Safety & Security, due to operational requirements necessitating standby coverage by the limited staff currently available.	The periodic budget provisions to be reviewed and adjusted in line with actual trends.
Payments in lieu of leave	(14 848)	-25.8%	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 periodic budget provisions to be reviewed and adjusted in line with actual trends.
Long service awards	3 705	7.1%	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 to the leave provision in accordance with GRAP 19 as these relate to the vested leave benefits owed to employees.
Post-retirement benefit obligations	(563)	-0.3%	Immaterial variance.	-
Acting and post related allowance	601	16.6%	The variance is mainly due to vacancies for which officials have been placed in acting capacities.	Budget realignment from savings from the relevant vacant posts to be used to address the over expenditure reflected.

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 Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	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	1 187 616	1 040 370	1 106 100	1 104 953	1 099 864	797 279	13 662 239	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	1 746 146	1 724 135	1 755 865	1 786 892	1 756 568	2 057 964	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	456 078	463 742	470 329	455 096	479 852	314 706	5 260 601	5 788 937	6 982 510
Service charges - Waste Water Management	205 753	222 999	222 248	263 212	241 325	288 563	233 095	230 336	233 821	226 963	228 120	147 207	2 743 642	3 023 719	3 656 047
Service charges - Waste Mangement	66 423	110 972	107 477	178 500	156 238	114 791	199 792	197 012	192 721	198 760	195 043	716 880	2 434 610	2 605 253	2 805 557
Rental of facilities and equipment	45 661	41 233	34 349	52 198	27 808	34 774	29 558	29 073	29 269	29 062	29 535	(38 306)	344 212	388 569	466 088
Interest earned - external investments	131 749	118 711	123 034	147 579	150 124	144 896	71 880	58 865	65 808	67 795	68 926	(390 845)	758 522	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	32 012	30 726	31 827	30 182	30 228	55 407	378 556	392 592	416 560
Licences and permits	11 533	47 371	40 325	27 303	35 323	37 869	3 910	4 110	4 292	4 113	4 107	(169 750)	50 506	52 779	55 101
Agency services	–	–	–	–	–	–	23 449	24 648	25 737	24 667	24 627	179 746	302 874	310 022	337 339
Transfers and Subsidies - Operational	2 278 593	433 475	39 671	416 558	485 180	1 706 214	149 744	236 355	1 526 910	141 708	141 708	(126 844)	7 429 270	7 404 716	7 561 017
Other revenue	115 216	1 212 869	802 784	331 029	279 782	1 409 639	87 332	92 190	1 052 435	86 245	90 198	(1 467 988)	4 091 731	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**	**4 220 612**	**4 131 562**	**6 495 114**	**4 156 435**	**4 148 775**	**2 075 456**	**60 897 815**	**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	55 699	424 016	799 401	55 535	55 535	324 854	3 864 159	4 180 136	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	–	–	–	–	–	–	–	–	–	–	–	70 772	70 772	60 884	110 999
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	2 800 000	–	–	–	–	–	–	–	–	748 320	1 451 680	5 000 000	5 000 000	5 000 000
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	22 041	22 041	23 033	23 535
VAT Control (receipts)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	60	60	(25)	3
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	(153 729)	(153 729)	(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**	**4 276 311**	**4 555 578**	**7 294 516**	**4 211 970**	**4 952 630**	**3 791 134**	**69 701 118**	**72 849 551**	**75 988 268**

Table continues on next page.

City of Cape Town: S52 Annexure A – 2026 Q2 (December 2025)

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 Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	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	1 633 481	1 648 557	1 676 151	1 706 161	1 708 001	1 956 164	20 781 842	22 105 265	23 666 256
Remuneration of councillors	14 783	14 719	14 691	14 767	14 748	14 657	17 162	18 329	16 564	16 542	16 465	24 302	197 729	207 615	217 996
Interest	12 713	–	13 851	104 465	66 562	258 642	10 170	–	11 354	98 809	60 012	731 014	1 367 594	1 719 855	1 990 274
Bulk purchases - Electricity	1 963 509	1 952 022	2 051 079	1 448 613	1 315 097	1 366 681	1 203 387	1 278 278	1 232 036	1 287 768	1 222 775	1 433 841	17 755 086	18 363 846	19 062 355
Acquisitions - water & other inventory	–	–	–	–	–	–	183 357	213 994	233 070	197 590	188 483	1 376 926	2 393 420	2 524 268	2 830 402
Contracted services	–	–	–	–	–	–	715 809	747 700	722 742	801 279	809 165	7 399 610	11 196 306	11 020 646	11 093 184
Transfers and subsidies - other municipalities	1 106	–	–	–	–	600	32 377	32 377	32 377	32 377	32 377	229 035	392 626	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	247 259	258 275	353 281	345 867	279 507	(8 039 981)	3 894 401	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**	**4 043 001**	**4 197 510**	**4 277 576**	**4 486 394**	**4 316 786**	**5 110 911**	**57 979 003**	**60 695 201**	**63 716 994**
Other Cash Flows/Payments by Type															
Capital assets	998 055	509 172	738 595	917 261	904 303	1 227 045	605 414	647 379	816 487	859 750	920 826	4 392 662	13 536 948	14 227 436	12 884 293
Repayment of borrowing	50 000	–	79 481	70 533	139 699	200 744	50 000	–	79 481	70 533	139 699	259 173	1 139 343	1 428 219	1 726 519
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**	**4 698 415**	**4 844 889**	**5 173 543**	**5 416 677**	**5 377 311**	**9 762 746**	**72 655 293**	**76 350 856**	**78 327 806**
NET INCREASE/(DECREASE) IN CASH HELD	**452 961**	**3 857 072**	**(227 446)**	**(1 093 689)**	**(1 743 877)**	**1 992 247**	**(422 104)**	**(289 311)**	**2 120 972**	**(1 204 707)**	**(424 681)**	**(5 971 612)**	**(2 954 175)**	**(3 501 305)**	**(2 339 538)**
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	13 391 694	13 102 382	15 223 355	14 018 648	13 593 967	10 576 530	7 622 355	4 121 050
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	13 391 694	13 102 382	15 223 355	14 018 648	13 593 967	7 622 355	7 622 355	4 121 050	1 781 512

Capital expenditure trend

Month R thousands	2024/25	Budget Year 2025/26						
	Provisional 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	241 177	264 166	241 177	(22 989)	-9.5%	2.1%
August	513 268	794 731	775 353	916 511	1 016 530	100 020	9.8%	7.1%
September	651 018	1 029 792	992 721	1 802 787	2 009 252	206 465	10.3%	14.0%
October	877 846	1 001 066	998 302	2 829 204	3 007 554	178 350	5.9%	22.0%
November	900 341	1 113 595	1 130 412	3 816 054	4 137 965	321 911	7.8%	29.7%
December	1 048 353	993 193	1 220 407	5 061 782	5 358 372	296 590	5.5%	39.4%
January	344 250	733 740	788 900		6 147 273	–		
February	650 898	1 261 209	1 229 608		7 376 881	–		
March	701 720	1 308 356	1 462 599		8 839 480	–		
April	740 072	1 210 326	1 292 672		10 132 151	–		
May	887 776	1 315 570	1 392 256		11 524 407	–		
June	1 819 764	1 753 674	2 012 540		13 536 948	–		
Total Capital expenditure	**9 351 390**	**12 862 639**	**13 536 948**					

Capital expenditure on new assets by asset class

Description R thousands	2024/25	Budget Year 2025/26						
	Provisional Outcome	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**	**4 767 134**	**1 572 333**	**1 716 985**	**(144 653)**	**-8.4%**	**4 456 914**
Roads Infrastructure	1 265 887	2 562 889	2 683 989	882 847	1 029 181	(146 334)	-14.2%	2 386 374
Roads	*1 257 084*	*2 559 939*	*2 680 009*	*882 193*	*1 026 151*	*(143 958)*	*-14.0%*	*2 382 318*
Road Structures	*1 304*	*950*	*1 326*	–	*376*	*(376)*	*-100.0%*	*1 426*
Road Furniture	*7 499*	*2 000*	*2 654*	*654*	*2 654*	*(2 000)*	*-75.4%*	*2 631*
Storm water Infrastructure	173 070	212 633	225 769	100 538	107 560	7 022	6.5%	213 747
Drainage Collection	*173 070*	*212 633*	*225 769*	*100 538*	*107 560*	*(7 022)*	*-6.5%*	*213 747*
Electrical Infrastructure	256 267	308 060	322 404	149 869	130 514	(19 355)	-14.8%	334 817
HV Substations	*178 197*	*232 590*	*247 934*	*98 555*	*89 589*	*8 966*	*10.0%*	*259 347*
LV Networks	*78 071*	*75 470*	*74 470*	*51 314*	*40 924*	*10 390*	*25.4%*	*75 470*
Water Supply Infrastructure	621 520	913 955	1 024 843	262 915	255 259	(7 656)	-3.0%	1 025 540
Reservoirs	*159 001*	*199 893*	*250 760*	*87 115*	*89 140*	*(2 025)*	*-2.3%*	*230 818*
Pump Stations	*24 457*	*31 991*	*38 123*	*11 265*	*13 685*	*(2 420)*	*-17.7%*	*33 523*
Water Treatment Works	*174 431*	*137 840*	*180 970*	*52 739*	*36 048*	*16 691*	*46.3%*	*168 916*
Bulk Mains	*82 451*	*72 610*	*83 321*	*26 470*	*17 882*	*8 588*	*48.0%*	*149 687*
Distribution	*181 180*	*471 620*	*471 668*	*85 326*	*98 504*	*(13 178)*	*-13.4%*	*442 596*
Sanitation Infrastructure	196 689	496 515	486 445	169 974	183 447	13 473	7.3%	476 012
Reticulation	*133 683*	*304 185*	*283 883*	*103 125*	*114 825*	*(11 701)*	*-10.2%*	*287 710*
Waste Water Treatment Works	*63 005*	*192 330*	*202 562*	*66 849*	*68 622*	*(1 773)*	*-2.6%*	*188 302*
Solid Waste Infrastructure	71 878	20 873	17 301	3 069	5 475	(2 406)	-43.9%	13 441
Landfill Sites	*71 878*	*20 873*	*17 301*	*3 069*	*5 475*	*(2 406)*	*-43.9%*	*13 441*
Information and Communication Infrastructure	996	6 100	6 383	3 120	5 550	(2 430)	-43.8%	6 983
Data Centres	*505*	*6 100*	*6 383*	*3 120*	*5 550*	*(2 430)*	*-43.8%*	*6 983*
Core Layers	*491*	–	–	–	–	–	-	–
Community Assets	**170 251**	**202 571**	**265 493**	**121 643**	**99 380**	**22 263**	**22.4%**	**274 866**
Community Facilities	170 201	201 921	264 643	121 643	99 230	22 413	22.6%	273 997
Halls	–	*1 020*	*2 020*	*838*	*220*	*618*	*280.9%*	*2 045*
Centres	–	*1 246*	*3 825*	–	–	–	-	–
Clinics/Care Centres	*4 170*	*4 400*	*2 218*	*1 155*	*1 481*	*(326)*	*-22.0%*	*1 259*
Fire/Ambulance Stations	*4 026*	*4 000*	*3 226*	*104*	*2 221*	*(2 117)*	*-95.3%*	*3 226*
Libraries	*12 473*	*13 936*	*13 936*	*8 782*	*8 589*	*193*	*2.2%*	*14 244*
Public Open Space	*1 930*	–	*187*	*38*	*78*	*(40)*	*-51.3%*	*227*
Nature Reserves	*616*	–	–	–	–	–	-	–
Public Ablution Facilities	*836*	*2 800*	*2 800*	*2 800*	*2 800*	–	-	*2 981*
Markets	*41 266*	*45 047*	*64 774*	*10 215*	*23 333*	*(13 117)*	*-56.2%*	*59 963*
Taxi Ranks/Bus Terminals	*104 884*	*129 472*	*171 657*	*97 711*	*60 509*	*37 202*	*61.5%*	*190 052*
Sport and Recreation Facilities	49	650	850	–	150	(150)	-100.0%	870
Outdoor Facilities	*49*	*650*	*850*	–	*150*	*(150)*	*-100.0%*	*870*
Other assets	**190 472**	**51 849**	**85 262**	**23 874**	**53 100**	**(29 225)**	**-55.0%**	**121 714**
Operational Buildings	190 472	51 849	85 262	23 874	53 100	(29 225)	-55.0%	121 714
Municipal Offices	*208 045*	*32 284*	*37 723*	*9 540*	*12 000*	*(2 460)*	*-20.5%*	*45 467*
Workshops	*(17 573)*	*16 565*	*44 538*	*13 740*	*38 100*	*(24 360)*	*-63.9%*	*73 247*
Laboratories	–	*3 000*	*3 000*	*594*	*3 000*	*(2 406)*	*-80.2%*	*3 000*
Intangible Assets	**90 693**	**88 561**	**84 533**	**16 562**	**29 022**	**(12 460)**	**-42.9%**	**84 405**
Licences and Rights	90 693	88 561	84 533	16 562	29 022	(12 460)	-42.9%	84 405
Water Rights	*47*	*150*	*150*	–	–	–	-	*150*
Computer Software and Applications	*90 646*	*88 411*	*84 383*	*16 562*	*29 022*	*(12 460)*	*-42.9%*	*84 255*
Computer Equipment	**107 029**	**154 770**	**153 406**	**68 436**	**98 873**	**(30 437)**	**-30.8%**	**255 839**
Computer Equipment	107 029	154 770	153 406	68 436	98 873	(30 437)	-30.8%	255 839
Furniture and Office Equipment	**48 805**	**14 257**	**17 486**	**9 581**	**13 371**	**(3 790)**	**-28.3%**	**30 208**
Furniture and Office Equipment	48 805	14 257	17 486	9 581	13 371	(3 790)	-28.3%	30 208
Machinery and Equipment	**141 262**	**109 851**	**178 962**	**79 173**	**97 952**	**(18 779)**	**-19.2%**	**184 385**
Machinery and Equipment	141 262	109 851	178 962	79 173	97 952	(18 779)	-19.2%	184 385
Transport Assets	**228 543**	**251 068**	**310 478**	**178 837**	**189 095**	**(10 258)**	**-5.4%**	**347 742**
Transport Assets	228 543	251 068	310 478	178 837	189 095	(10 258)	-5.4%	347 742
Land	**47 171**	**116 834**	**211 560**	**87 941**	**110 739**	**(22 797)**	**-20.6%**	**220 923**
Land	47 171	116 834	211 560	87 941	110 739	(22 797)	-20.6%	220 923
Total Capital Expenditure on new assets	**3 610 532**	**5 510 786**	**6 074 314**	**2 158 380**	**2 408 518**	**(250 137)**	**-10.4%**	**5 976 997**

Capital expenditure on renewal of existing assets by asset class

Description R thousands	2024/25 Provisional Outcome	Budget Year 2025/26 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**	**2 598 830**	**971 888**	**1 010 750**	**(38 862)**	**-3.8%**	**2 465 713**
Roads Infrastructure	161 300	288 850	352 257	107 235	140 985	(33 750)	-23.9%	258 175
Roads	*146 887*	*262 965*	*318 358*	*79 909*	*110 692*	*(30 783)*	*-27.8%*	*228 828*
Road Structures	*14 413*	*25 885*	*33 900*	*27 325*	*30 292*	*(2 967)*	*-9.8%*	*29 347*
Storm water Infrastructure	4 472	11 102	13 294	2 433	4 208	(1 775)	-42.2%	7 413
Drainage Collection	*4 472*	*11 102*	*13 294*	*2 433*	*4 208*	*(1 775)*	*-42.2%*	*7 413*
Electrical Infrastructure	474 797	461 255	450 199	271 322	252 717	18 605	7.4%	470 464
HV Substations	*124 604*	*50 854*	*63 064*	*38 115*	*45 069*	*(6 954)*	*-15.4%*	*62 321*
MV Substations	*18 549*	*45 000*	*23 200*	*10 162*	*13 143*	*(2 981)*	*-22.7%*	*23 200*
MV Networks	*204 055*	*222 201*	*219 713*	*152 599*	*125 552*	*27 047*	*21.5%*	*240 720*
LV Networks	*127 590*	*143 200*	*144 222*	*70 446*	*68 952*	*1 493*	*2.2%*	*144 222*
Water Supply Infrastructure	347 363	520 200	471 342	131 134	151 550	(20 416)	-13.5%	437 929
Water Treatment Works	*7 326*	*200 000*	*147 800*	*42 496*	*32 750*	*9 746*	*29.8%*	*142 826*
Bulk Mains	*87 664*	*–*	*–*	*–*	*–*	*–*	*-*	*–*
Distribution	*252 373*	*320 200*	*323 542*	*88 638*	*118 800*	*(30 162)*	*-25.4%*	*295 103*
Sanitation Infrastructure	920 194	1 278 692	1 270 192	440 361	446 197	(5 836)	-1.3%	1 208 675
Pump Station	*89 717*	*107 663*	*74 231*	*30 899*	*25 602*	*5 297*	*20.7%*	*72 350*
Reticulation	*631 769*	*691 459*	*795 020*	*272 978*	*270 859*	*2 119*	*0.8%*	*766 909*
Waste Water Treatment Works	*190 054*	*319 817*	*298 034*	*99 646*	*114 462*	*(14 815)*	*-12.9%*	*264 535*
Outfall Sewers	*8 655*	*159 753*	*102 907*	*36 838*	*35 274*	*1 564*	*4.4%*	*104 881*
Solid Waste Infrastructure	616	1 266	1 620	396	304	92	30.4%	1 620
Landfill Sites	*616*	*1 266*	*1 620*	*396*	*304*	*92*	*30.4%*	*1 620*
Information and Communication Infrastructure	35 524	41 920	39 925	19 006	14 790	4 216	28.5%	81 437
Data Centres	*35 524*	*41 740*	*39 745*	*19 006*	*14 790*	*4 216*	*28.5%*	*81 437*
Core Layers	*–*	*180*	*180*	*–*	*–*	*–*	*-*	*–*
Community Assets	**67 468**	**143 018**	**149 250**	**34 887**	**32 268**	**2 618**	**8.1%**	**131 005**
Community Facilities	49 604	91 468	101 513	24 683	31 817	(7 134)	-22.4%	87 118
Halls	*1 068*	*–*	*–*	*–*	*–*	*–*	*-*	*–*
Museums	*926*	*1 800*	*1 762*	*460*	*802*	*(342)*	*-42.7%*	*1 529*
Libraries	*–*	*2 600*	*2 600*	*1 210*	*1 000*	*210*	*21.0%*	*4 882*
Public Open Space	*99*	*100*	*100*	*63*	*36*	*27*	*74.6%*	*99*
Nature Reserves	*27 016*	*49 622*	*48 602*	*12 442*	*16 481*	*(4 039)*	*-24.5%*	*28 414*
Markets	*29 513*	*34 345*	*45 449*	*9 466*	*12 614*	*(3 149)*	*-25.0%*	*49 194*
Taxi Ranks/Bus Terminals	*(9 017)*	*3 000*	*3 000*	*1 043*	*884*	*159*	*18.0%*	*3 000*
Sport and Recreation Facilities	17 864	51 550	47 737	10 203	451	9 752	2160.8%	43 887
Indoor Facilities	*–*	*1 550*	*1 038*	*400*	*216*	*185*	*85.5%*	*2 517*
Outdoor Facilities	*17 864*	*50 000*	*46 699*	*9 803*	*235*	*9 568*	*4064.4%*	*41 370*
Other assets	**15 463**	**20 942**	**21 687**	**9 955**	**7 583**	**2 372**	**31.3%**	**32 371**
Operational Buildings	15 463	20 942	21 687	9 955	7 583	2 372	31.3%	32 371
Municipal Offices	*15 546*	*19 942*	*20 385*	*8 655*	*6 783*	*1 871*	*27.6%*	*27 238*
Laboratories	*(83)*	*1 000*	*1 303*	*1 300*	*800*	*500*	*62.5%*	*5 133*
Intangible Assets	**7 549**	**15 850**	**13 350**	**12 535**	**13 350**	**(815)**	**-6.1%**	**13 350**
Licences and Rights	7 549	15 850	13 350	12 535	13 350	(815)	-6.1%	13 350
Computer Software and Applications	*7 549*	*15 850*	*13 350*	*12 535*	*13 350*	*(815)*	*-6.1%*	*13 350*
Computer Equipment	**142 179**	**144 152**	**153 679**	**95 991**	**84 674**	**11 317**	**13.4%**	**274 517**
Computer Equipment	142 179	144 152	153 679	95 991	84 674	11 317	13.4%	274 517
Furniture and Office Equipment	**26 073**	**103 046**	**78 101**	**9 268**	**18 915**	**(9 648)**	**-51.0%**	**120 141**
Furniture and Office Equipment	26 073	103 046	78 101	9 268	18 915	(9 648)	-51.0%	120 141
Machinery and Equipment	**70 678**	**102 473**	**93 924**	**25 762**	**45 609**	**(19 847)**	**-43.5%**	**98 563**
Machinery and Equipment	70 678	102 473	93 924	25 762	45 609	(19 847)	-43.5%	98 563
Transport Assets	**484 307**	**610 352**	**613 030**	**375 467**	**414 209**	**(38 742)**	**-9.4%**	**643 004**
Transport Assets	484 307	610 352	613 030	375 467	414 209	(38 742)	-9.4%	643 004
Living resources	**750**	**645**	**645**	**–**	**–**	**–**	**-**	**645**
Mature	750	645	645	–	–	–	-	645
Policing and Protection	*750*	*645*	*645*	*–*	*–*	*–*	*-*	*645*
Total Capital Expenditure on renewal of existing assets	**2 758 733**	**3 743 762**	**3 722 496**	**1 535 752**	**1 627 359**	**(91 607)**	**-5.6%**	**3 779 310**

Capital expenditure on upgrading of existing assets by asset class

Description R thousands	2024/25 Provisional 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**	**2 416 226**	**958 630**	**829 813**	**128 816**	**15.5%**	**2 256 331**
Roads Infrastructure	153 226	139 888	138 141	42 408	33 247	9 161	27.6%	115 767
Roads	*147 749*	*126 080*	*124 332*	*35 468*	*26 676*	*8 792*	*33.0%*	*101 976*
Road Structures	*334*	–	–	–	–	–	-	–
Road Furniture	*5 143*	*13 808*	*13 808*	*6 940*	*6 572*	*369*	*5.6%*	*13 791*
Storm water Infrastructure	181 387	138 054	192 656	72 824	65 865	6 959	10.6%	167 936
Drainage Collection	*181 387*	*138 054*	*192 656*	*72 824*	*65 865*	*6 959*	*10.6%*	*167 936*
Electrical Infrastructure	195 385	218 174	252 231	99 829	97 302	2 527	2.6%	216 670
HV Substations	*195 385*	*218 174*	*252 231*	*99 829*	*97 302*	*2 527*	*2.6%*	*216 670*
Water Supply Infrastructure	21 477	23 700	26 380	10 765	7 324	3 441	47.0%	27 386
Reservoirs	*5 184*	*2 500*	*4 886*	*624*	*3 324*	*(2 699)*	*-81.2%*	*4 886*
Distribution	*16 293*	*21 200*	*21 494*	*10 140*	*4 000*	*6 140*	*153.5%*	*22 500*
Sanitation Infrastructure	1 325 558	1 588 194	1 577 295	646 908	520 088	126 820	24.4%	1 524 264
Pump Station	*5 582*	*17 764*	*17 211*	*1 653*	*3 238*	*(1 585)*	*-48.9%*	*16 995*
Reticulation	*11 569*	*11 998*	*16 189*	*11 635*	*5 763*	*5 872*	*101.9%*	*13 565*
Waste Water Treatment Works	*1 308 406*	*1 558 432*	*1 543 895*	*633 620*	*511 087*	*122 533*	*24.0%*	*1 493 704*
Solid Waste Infrastructure	28 804	764	8 429	383	838	(455)	-54.3%	9 779
Landfill Sites	*28 804*	*764*	*8 429*	*383*	*838*	*(455)*	*-54.3%*	*9 779*
Coastal Infrastructure	102 244	215 416	216 917	84 506	104 599	(20 093)	-19.2%	188 809
Promenades	*102 244*	*215 416*	*216 917*	*84 506*	*104 599*	*(20 093)*	*-19.2%*	*188 809*
Information and Communication Infrastructure	5 399	7 551	4 177	1 007	552	455	82.6%	5 719
Data Centres	*1 395*	–	–	–	–	–	-	*546*
Core Layers	*4 004*	*7 551*	*4 177*	*1 007*	*552*	*455*	*82.6%*	*5 174*
Community Assets	**365 568**	**461 825**	**475 679**	**142 576**	**190 828**	**(48 253)**	**-25.3%**	**448 634**
Community Facilities	224 501	391 335	402 002	120 448	168 874	(48 426)	-28.7%	366 351
Halls	*3 681*	*3 130*	*3 105*	*744*	*506*	*238*	*47.0%*	*6 555*
Centres	*7 076*	*14 073*	*13 056*	*3 246*	*7 066*	*(3 820)*	*-54.1%*	*11 886*
Clinics/Care Centres	*43 569*	*55 340*	*64 333*	*17 781*	*38 511*	*(20 730)*	*-53.8%*	*44 276*
Fire/Ambulance Stations	*18 678*	*12 200*	*9 500*	*746*	*4 089*	*(3 343)*	*-81.8%*	*10 500*
Libraries	*2 629*	*14 792*	*13 020*	*1 578*	*4 928*	*(3 349)*	*-68.0%*	*10 030*
Cemeteries/Crematoria	*19 685*	*55 700*	*56 467*	*19 104*	*8 068*	*11 036*	*136.8%*	*56 467*
Public Open Space	*61 815*	*71 080*	*71 637*	*36 401*	*42 083*	*(5 682)*	*-13.5%*	*83 421*
Nature Reserves	*6 051*	*2 234*	*3 991*	*1 227*	*768*	*459*	*59.8%*	*6 545*
Public Ablution Facilities	*983*	*500*	*3 185*	*450*	*2 000*	*(1 550)*	*-77.5%*	*3 205*
Markets	*20 537*	*25 945*	*33 535*	*6 463*	*11 351*	*(4 887)*	*-43.1%*	*32 585*
Taxi Ranks/Bus Terminals	*39 796*	*136 341*	*130 173*	*32 707*	*49 504*	*(16 797)*	*-33.9%*	*100 880*
Sport and Recreation Facilities	141 067	70 490	73 677	22 128	21 955	173	0.8%	82 283
Indoor Facilities	*37 293*	*5 080*	*6 294*	*4 755*	*1 993*	*2 763*	*138.7%*	*9 115*
Outdoor Facilities	*103 774*	*65 410*	*67 383*	*17 373*	*19 962*	*(2 589)*	*-13.0%*	*73 168*
Heritage assets	**374**	**–**	**231**	**131**	**231**	**(100)**	**-43.2%**	**231**
Monuments	*374*	–	*231*	*131*	*231*	*(100)*	*-43.2%*	*231*
Other assets	**564 225**	**790 390**	**826 953**	**259 515**	**292 727**	**(33 212)**	**-11.3%**	**986 754**
Operational Buildings	353 189	461 742	498 267	118 405	165 774	(47 369)	-28.6%	540 964
Municipal Offices	*226 426*	*323 173*	*353 847*	*79 360*	*114 046*	*(34 686)*	*-30.4%*	*403 838*
Workshops	*79 088*	*129 069*	*134 920*	*37 155*	*49 978*	*(12 823)*	*-25.7%*	*134 457*
Training Centres	*47 676*	*9 500*	*9 500*	*1 890*	*1 750*	*140*	*8.0%*	*2 669*
Housing	211 036	328 648	328 686	141 110	126 953	14 157	11.2%	445 789
Social Housing	*211 036*	*328 648*	*328 686*	*141 110*	*126 953*	*14 157*	*11.2%*	*445 789*
Intangible Assets	**12 790**	**15 045**	**12 855**	**531**	**3 497**	**(2 966)**	**-84.8%**	**14 681**
Licences and Rights	12 790	15 045	12 855	531	3 497	(2 966)	-84.8%	14 681
Computer Software and Applications	*12 790*	*15 045*	*12 855*	*531*	*3 497*	*(2 966)*	*-84.8%*	*14 681*
Computer Equipment	**14 477**	**–**	**–**	**–**	**–**	**–**	**-**	**–**
Computer Equipment	*14 477*	–	–	–	–	–	-	–
Furniture and Office Equipment	**–**	**–**	**–**	**–**	**–**	**–**	**-**	**720**
Furniture and Office Equipment	–	–	–	–	–	–	-	*720*
Machinery and Equipment	**11 211**	**9 089**	**8 194**	**6 267**	**5 399**	**868**	**16.1%**	**10 654**
Machinery and Equipment	*11 211*	*9 089*	*8 194*	*6 267*	*5 399*	*868*	*16.1%*	*10 654*
Total Capital Expenditure on upgrading of existing assets	**2 982 124**	**3 608 091**	**3 740 138**	**1 367 650**	**1 322 496**	**45 154**	**3.4%**	**3 719 255**

Expenditure on repairs and maintenance by asset class

Description	2024/25	Budget Year 2025/26						
R thousands	Provisional 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**	**3 788 889**	**1 285 169**	**1 534 508**	**249 339**	**16.2%**	**3 788 889**
Roads Infrastructure	874 451	929 994	929 994	381 855	422 416	40 561	9.6%	929 994
Roads	874 451	897 346	897 346	381 855	422 416	40 561	9.6%	897 346
Road Furniture	–	32 648	32 648	–	–	–	-	32 648
Storm water Infrastructure	–	252 056	252 056	–	–	–	-	252 056
Drainage Collection	–	252 056	252 056	–	–	–	-	252 056
Electrical Infrastructure	820 575	1 001 093	1 000 366	400 536	446 054	45 518	10.2%	1 000 366
Power Plants	33 841	48 885	48 765	20 602	23 484	2 882	12.3%	48 765
HV Substations	54 336	100 658	100 663	25 941	23 662	(2 279)	-9.6%	100 663
MV Substations	527 648	607 834	611 896	254 898	288 459	33 561	11.6%	611 896
LV Networks	204 750	243 715	239 041	99 094	110 449	11 354	10.3%	239 041
Water Supply Infrastructure	444 645	778 239	728 570	205 463	324 985	119 522	36.8%	728 570
Boreholes	13 600	–	–	1 814	24 599	22 785	92.6%	–
Reservoirs	61 603	119 511	91 237	35 777	36 042	264	0.7%	91 237
Pump Stations	81 329	50 383	50 383	50 994	37 021	(13 973)	-37.7%	50 383
Water Treatment Works	62 410	45 647	58 694	39 929	37 287	(2 642)	-7.1%	58 694
Bulk Mains	35 676	1 662	200	24 880	11 594	(13 286)	-114.6%	200
Distribution	190 027	561 037	528 055	52 069	178 443	126 374	70.8%	528 055
Sanitation Infrastructure	676 620	854 396	861 532	295 000	339 012	44 012	13.0%	861 532
Pump Station	–	15 928	16 174	–	–	–	-	16 174
Reticulation	486 631	607 822	614 713	204 011	229 452	25 442	11.1%	614 713
Waste Water Treatment Works	179 660	219 334	219 334	87 705	103 891	16 187	15.6%	219 334
Outfall Sewers	10 329	11 312	11 312	3 284	5 668	2 384	42.1%	11 312
Solid Waste Infrastructure	4 355	11 660	11 660	2 314	2 040	(274)	-13.4%	11 660
Landfill Sites	4 355	9 869	9 869	2 314	2 040	(274)	-13.4%	9 869
Waste Processing Facilities	–	1 790	1 790	–	–	–	-	1 790
Coastal Infrastructure	–	4 711	4 711	–	–	–	-	4 711
Promenades	–	4 711	4 711	–	–	–	-	4 711
Community Assets	**780 084**	**703 765**	**702 005**	**395 065**	**273 434**	**(121 632)**	**-44.5%**	**702 005**
Community Facilities	105 934	572 147	569 815	44 887	45 799	912	2.0%	569 815
Halls	53 496	12 438	12 470	24 025	21 174	(2 851)	-13.5%	12 470
Centres	660	4 753	4 934	8	133	125	93.7%	4 934
Clinics/Care Centres	4 070	8 368	8 368	2 260	2 168	(93)	-4.3%	8 368
Fire/Ambulance Stations	1 400	15 346	15 389	380	2 310	1 930	83.6%	15 389
Testing Stations	–	14 245	14 253	–	–	–	-	14 253
Museums	–	6	6	–	–	–	-	6
Libraries	2 643	908	905	604	1 090	486	44.6%	905
Cemeteries/Crematoria	23 975	34 699	34 699	9 232	10 827	1 596	14.7%	34 699
Public Open Space	–	448 595	446 095	–	–	–	-	446 095
Nature Reserves	6 733	5 097	5 005	1 648	2 240	591	26.4%	5 005
Public Ablution Facilities	7 224	18 598	18 598	6 190	3 979	(2 211)	-55.6%	18 598
Markets	5 733	9 094	9 094	540	1 878	1 338	71.2%	9 094
Sport and Recreation Facilities	674 150	131 618	132 191	350 178	227 635	(122 543)	-53.8%	132 191
Indoor Facilities	152	60 375	60 660	235	145	(90)	-62.0%	60 660
Outdoor Facilities	673 998	71 242	71 531	349 943	227 489	(122 453)	-53.8%	71 531
Heritage assets	**162**	**376**	**372**	**104**	**4**	**(100)**	**-2672.1%**	**372**
Works of Art	162	–	–	104	4	(100)	-2672.1%	–
Other Heritage	–	376	372	–	–	–	-	372

Table continues on next page.

Description R thousands	2024/25 Provisional 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**	**180**	**111**	**1 477**	**1 365**	**92.5%**	**180**
Revenue Generating	347	165	165	109	1 465	1 357	92.6%	165
Improved Property	*347*	*165*	*165*	*109*	*1 465*	*1 357*	*92.6%*	*165*
Non-revenue Generating	–	12	16	2	11	9	78.0%	16
Unimproved Property	–	*12*	*16*	*2*	*11*	*9*	*78.0%*	*16*
Other assets	**211 170**	**700 013**	**703 461**	**72 026**	**115 967**	**43 941**	**37.9%**	**703 461**
Operational Buildings	211 170	613 653	625 301	72 026	115 967	43 941	37.9%	625 301
Municipal Offices	*205 148*	*600 447*	*612 090*	*70 452*	*113 935*	*43 483*	*38.2%*	*612 090*
Workshops	–	*8 173*	*8 179*	–	–	–	-	*8 179*
Laboratories	*4 878*	*4 793*	*4 793*	*1 385*	*1 374*	*(11)*	*-0.8%*	*4 793*
Training Centres	*725*	*240*	*240*	*189*	*497*	*308*	*61.9%*	240
Depots	*420*	–	–	–	*162*	*162*	*100.0%*	–
Housing	–	86 360	78 160	–	–	–	-	78 160
Social Housing	–	*86 360*	78 160	–	–	–	-	*78 160*
Computer Equipment	**361 832**	**421 253**	**445 546**	**164 125**	**261 446**	**97 321**	**37.2%**	**445 546**
Computer Equipment	361 832	421 253	445 546	164 125	261 446	97 321	37.2%	445 546
Furniture and Office Equipment	**1 187 148**	**268 911**	**283 756**	**619 317**	**423 959**	**(195 358)**	**-46.1%**	**283 756**
Furniture and Office Equipment	1 187 148	268 911	283 756	619 317	423 959	(195 358)	-46.1%	283 756
Machinery and Equipment	**–**	**412 982**	**423 733**	**–**	**–**	**–**	**-**	**423 733**
Machinery and Equipment	–	412 982	423 733	–	–	–	-	423 733
Transport Assets	**520 635**	**502 392**	**488 459**	**241 000**	**225 848**	**(15 153)**	**-6.7%**	**488 459**
Transport Assets	520 635	502 392	488 459	241 000	225 848	(15 153)	-6.7%	488 459
Total Repairs and Maintenance Expenditure	**5 882 023**	**6 842 018**	**6 836 402**	**2 776 918**	**2 836 642**	**59 724**	**2.1%**	**6 836 402**

Depreciation by asset class

Description R thousands	2024/25 Provisional 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								
Infrastructure	**1 741 273**	**1 797 262**	**1 797 262**	**906 194**	**898 631**	**(7 563)**	**-0.84%**	**1 797 262**
Roads Infrastructure	523 514	512 785	512 785	266 241	256 392	(9 849)	-3.84%	512 785
Roads	*487 940*	*480 686*	*480 686*	*248 469*	*240 343*	*(8 126)*	*-3.38%*	*480 686*
Road Structures	*13 976*	*13 721*	*13 721*	*7 071*	*6 860*	*(211)*	*-3.07%*	*13 721*
Road Furniture	*21 598*	*18 378*	*18 378*	*10 701*	*9 189*	*(1 512)*	*-16.45%*	*18 378*
Storm water Infrastructure	80 367	83 948	83 948	41 045	41 974	929	2.21%	83 948
Drainage Collection	*80 367*	*83 948*	*83 948*	*41 045*	*41 974*	*929*	*2.21%*	*83 948*
Electrical Infrastructure	368 024	387 725	387 725	197 239	193 863	(3 377)	-1.74%	387 725
Power Plants	*7 976*	*7 739*	*7 739*	*3 950*	*3 869*	*(81)*	*-2.09%*	*7 739*
HV Substations	*25 070*	*31 629*	*31 629*	*14 455*	*15 815*	*1 360*	*8.60%*	*31 629*
MV Substations	*82 083*	*81 705*	*81 705*	*42 874*	*40 853*	*(2 021)*	*-4.95%*	*81 705*
MV Networks	*139 364*	*143 974*	*143 974*	*71 879*	*71 987*	*108*	*0.15%*	*143 974*
LV Networks	*113 531*	*122 678*	*122 678*	*64 081*	*61 339*	*(2 742)*	*-4.47%*	*122 678*
Water Supply Infrastructure	251 618	273 364	273 364	129 758	136 682	6 924	5.07%	273 364
Reservoirs	*33 848*	*34 988*	*34 988*	*17 127*	*17 494*	*367*	*2.10%*	*34 988*
Pump Stations	*10 677*	*11 438*	*11 438*	*5 296*	*5 719*	*423*	*7.39%*	*11 438*
Water Treatment Works	*19 095*	*20 941*	*20 941*	*10 009*	*10 471*	*462*	*4.41%*	*20 941*
Bulk Mains	*3 395*	*6 703*	*6 703*	*2 858*	*3 352*	*493*	*14.72%*	*6 703*
Distribution	*184 603*	*199 294*	*199 294*	*94 467*	*99 647*	*5 180*	*5.20%*	*199 294*
Sanitation Infrastructure	297 240	315 945	315 945	155 969	157 973	2 004	1.27%	315 945
Pump Station	*13 237*	*19 729*	*19 729*	*7 226*	*9 864*	*2 638*	*26.75%*	19 729
Reticulation	*115 713*	*120 875*	*120 875*	*63 974*	*60 437*	*(3 536)*	*-5.85%*	120 875
Waste Water Treatment Works	*163 385*	*170 438*	*170 438*	*82 315*	*85 219*	*2 904*	*3.41%*	170 438
Outfall Sewers	*4 904*	*4 904*	*4 904*	*2 454*	*2 452*	*(2)*	*-0.09%*	4 904
Solid Waste Infrastructure	67 581	77 039	77 039	39 523	38 520	(1 003)	-2.60%	77 039
Landfill Sites	*56 167*	*65 634*	*65 634*	*33 816*	*32 817*	*(999)*	*-3.04%*	*65 634*
Waste Processing Facilities	*11 414*	*11 406*	*11 406*	*5 707*	*5 703*	*(4)*	*-0.08%*	*11 406*
Coastal Infrastructure	8 442	11 049	11 049	4 725	5 524	799	14.47%	11 049
Promenades	*8 442*	*11 049*	*11 049*	*4 725*	*5 524*	*799*	*14.47%*	*11 049*
Information and Communication Infrastructure	144 487	135 406	135 406	71 694	67 703	(3 991)	-5.89%	135 406
Data Centres	*56 544*	*57 789*	*57 789*	*30 546*	*28 894*	*(1 652)*	*-5.72%*	*57 789*
Core Layers	*84 648*	*74 572*	*74 572*	*39 622*	*37 286*	*(2 336)*	*-6.26%*	*74 572*
Distribution Layers	*3 295*	*3 046*	*3 046*	*1 526*	*1 523*	*(4)*	*-0.23%*	*3 046*
Community Assets	**347 338**	**345 787**	**345 787**	**162 905**	**172 893**	**9 988**	**5.78%**	**345 787**
Community Facilities	142 224	151 508	151 508	67 433	75 754	8 321	10.98%	151 508
Halls	*4 791*	*4 971*	*4 971*	*2 430*	*2 485*	*56*	*2.24%*	*4 971*
Centres	*4 702*	*5 027*	*5 027*	*2 351*	*2 514*	*162*	*6.46%*	*5 027*
Clinics/Care Centres	*7 904*	*9 553*	*9 553*	*3 959*	*4 777*	*818*	*17.13%*	*9 553*
Fire/Ambulance Stations	*3 222*	*3 126*	*3 126*	*1 838*	*1 563*	*(275)*	*-17.58%*	*3 126*
Testing Stations	*1 572*	*1 508*	*1 508*	*796*	*754*	*(42)*	*-5.58%*	*1 508*
Museums	*343*	*343*	*343*	*172*	*172*	-	-	*343*
Theatres	*112*	*112*	*112*	*56*	*56*	–		*112*
Libraries	*19 698*	*19 707*	*19 707*	*5 621*	*9 854*	*4 233*	*42.96%*	*19 707*
Cemeteries/Crematoria	*5 370*	*5 499*	*5 499*	*2 720*	*2 749*	*29*	*1.05%*	*5 499*
Public Open Space	*15 806*	*18 453*	*18 453*	*7 846*	*9 227*	*1 381*	*14.97%*	*18 453*
Nature Reserves	*850*	*908*	*908*	*313*	*454*	*141*	*31.09%*	*908*
Public Ablution Facilities	*3 473*	*3 450*	*3 450*	*1 759*	*1 725*	*(34)*	*-1.97%*	*3 450*
Markets	*4 288*	*5 239*	*5 239*	*2 210*	*2 620*	*409*	*15.62%*	*5 239*
Abattoirs	*0*	*0*	*0*	*0*	*0*	*0*	*0.06%*	*0*
Taxi Ranks/Bus Terminals	*70 094*	*73 611*	*73 611*	*35 363*	*36 806*	*1 443*	*3.92%*	*73 611*
Sport and Recreation Facilities	205 114	194 278	194 278	95 472	97 139	1 667	1.72%	194 278
Indoor Facilities	*12 899*	*15 938*	*15 938*	*6 541*	*7 969*	*1 428*	*17.92%*	*15 938*
Outdoor Facilities	*192 215*	*178 341*	*178 341*	*88 931*	*89 170*	*239*	*0.27%*	*178 341*

Table continues on next page.

Description R thousands	2024/25 Provisional 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**	**25 953**	**856**	**12 976**	**12 121**	**93.41%**	**25 953**
Revenue Generating	1 609	1 711	1 711	856	856	–	-	1 711
Improved Property	*1 609*	*1 711*	*1 711*	*856*	*856*	–	-	*1 711*
Non-revenue Generating	(78)	24 241	24 241	–	12 121	12 121	100.00%	24 241
Unimproved Property	*(78)*	*24 241*	*24 241*	–	*12 121*	*12 121*	*100.00%*	*24 241*
Other assets	**427 764**	**429 098**	**429 098**	**222 245**	**214 549**	**(7 696)**	**-3.59%**	**429 098**
Operational Buildings	312 500	307 777	307 777	163 379	153 889	(9 490)	-6.17%	307 777
Municipal Offices	*270 213*	*262 886*	*262 886*	*141 780*	*131 443*	*(10 337)*	*-7.86%*	*262 886*
Workshops	*41 022*	*42 498*	*42 498*	*20 949*	*21 249*	*300*	*1.41%*	*42 498*
Yards	–	–	–	–	–	–	-	–
Laboratories	*696*	*755*	*755*	*365*	*377*	*12*	*3.18%*	*755*
Training Centres	*521*	*1 591*	*1 591*	*260*	*795*	*535*	*67.25%*	*1 591*
Depots	*47*	*47*	*47*	*24*	*24*	-	-	*47*
Housing	115 264	121 321	121 321	58 866	60 661	1 794	2.96%	121 321
Social Housing	*115 264*	*121 321*	*121 321*	*58 866*	*60 661*	*1 794*	*2.96%*	*121 321*
Biological or Cultivated Assets	**–**	**337**	**337**	**–**	**169**	**169**	**100.00%**	**337**
Biological or Cultivated Assets	–	*337*	*337*	–	*169*	*169*	*100.00%*	*337*
Intangible Assets	**170 453**	**170 722**	**170 722**	**82 725**	**85 361**	**2 636**	**3.09%**	**170 722**
Licences and Rights	170 453	170 722	170 722	82 725	85 361	2 636	3.09%	170 722
Water Rights	–	*32*	*32*	–	*16*	*16*	*100.00%*	*32*
Computer Software and Applications	*170 081*	*170 690*	*170 690*	*82 725*	*85 345*	*2 620*	*3.07%*	*170 690*
Unspecified	*372*	–	–	–	–	-	-	–
Computer Equipment	**252 319**	**270 104**	**270 104**	**128 750**	**135 052**	**6 302**	**4.67%**	**270 104**
Computer Equipment	252 319	*270 104*	*270 104*	*128 750*	*135 052*	*6 302*	*4.67%*	*270 104*
Furniture and Office Equipment	**76 947**	**83 208**	**83 208**	**43 776**	**41 604**	**(2 172)**	**-5.22%**	**83 208**
Furniture and Office Equipment	76 947	*83 208*	*83 208*	*43 776*	*41 604*	*(2 172)*	*-5.22%*	*83 208*
Machinery and Equipment	**201 669**	**222 600**	**222 600**	**100 728**	**111 300**	**10 573**	**9.50%**	**222 600**
Machinery and Equipment	201 669	222 600	222 600	100 728	111 300	10 573	9.50%	222 600
Transport Assets	**557 861**	**629 093**	**629 093**	**292 763**	**314 546**	**21 784**	**6.93%**	**629 093**
Transport Assets	557 861	629 093	629 093	292 763	314 546	21 784	6.93%	629 093
Land	**10 900**	**–**	**–**	**–**	**–**	**–**	**-**	**–**
Land	10 900	–	–	–	–	–	-	–
Living resources	**148**	**–**	**–**	**124**	**–**	**(124)**	**-100.00%**	**–**
Mature	148	–	–	124	–	(124)	-100.00%	–
Policing and Protection	*148*	–	–	*124*	–	*(124)*	*-100.00%*	–
Total Depreciation	**3 788 203**	**3 974 164**	**3 974 164**	**1 941 064**	**1 987 082**	**46 018**	**2.32%**	**3 974 164**

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 26 June 2025. 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	Q2 2026		Comment
		Budget	Actual	
	R Thousand			
Use of consultants	1 536 465	421 011	434 661	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.

Table continues on next page.

Cost Containment In-Year Report				
Category	2025/26 Current Budget	Q2 2026		Comment
		Budget	Actual	
	R Thousand			
Travel and Subsistence	42 093	19 758	16 471	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.
Domestic Accommodation	3 684	1 278	941	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.

Table continues on next page.

Cost Containment In-Year Report				
Category	2025/26 Current Budget	Q2 2026		Comment
		Budget	Actual	
	R Thousand			
Sponsorships, Events and Catering	316 541	168 819	138 460	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	93 450	39 484	28 776	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	Q2 2026 Budget	Q2 2026 Actual	Comment
	R Thousand			
Other related expenditure items - Conferences & Seminars	3 711	1 394	483	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	1 034 288	511 710	510 390	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	16 635	13 424	10 417	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	**3 046 866**	**1 176 878**	**1 140 600**	

Cape Town International Convention Centre

Cost Containment In-Year Report				
Measures	2025/26 Current budget	Q2 2026		Comment
		Budget	Actual	
	R Thousand			
Use of consultants	5 518	2 896	2 317	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	5 005	2 452	1 764	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	173	78	74	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	885	249	43	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.

Table continues on next page.

Cost Containment In-Year Report				
Measures	**2025/26 Current budget**	**Q2 2026**		**Comment**
		Budget	**Actual**	
	R Thousand			
Communication	1 956	978	661	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	2 229	1 152	1 270	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	**15 766**	**7 805**	**6 129**	

Cape Town Stadium

Cost Containment In-Year Report				
Measures	2025/26 Current Budget	Q2 2026		Comment
		Budget	Actual	
	R Thousand			
Use of consultants	2 304	1 330	313	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.

Table continues on next page.

Cost Containment In-Year Report				
Measures	**2025/26 Current Budget**	**Q2 2026**		**Comment**
		Budget	**Actual**	
	R Thousand			
Travel and Subsistence	849	424	85	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.
Domestic Accommodation	94	47	7	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).

Table continues on next page.

Cost Containment In-Year Report				
Measures	**2025/26 Current Budget**	**Q2 2026**		**Comment**
		Budget	**Actual**	
	R Thousand			
Sponsorships, Events and Catering	194	194	79	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 meeting in November 2025.
Communication	341	341	0	No expenditure incurred for the quarter under review.
Other related expenditure items - Conferences & Seminars	0	0	0	No expenditure incurred for the quarter under review.
Other related expenditure items - Overtime	2 421	696	351	Staff are required to work overtime at certain events, which at times takes place after hours and over weekends.
Total	**2 956**	**1 231**	**430**	

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 2 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: 2026.01.07 19:10:37 +02'00'

Signature ---

Date ---

CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE B

2025/26 Q2
Corporate Performance Report

2025/2026 QUARTER 2 PERFORMANCE REPORT - CITY OF CAPE TOWN								Annexure 1.1
Well Above	Above	On target	Below	Well below		AT - Annual Target		
IDP Objective	**Key Performance Indicator**	**2024/2025 Quarter 2 Performance**			**2025/2026 Quarter 2 Performance**			**Directorate and Responsible Executive Director**
		Target	**Actual**	**Status**	**Target**	**Actual**	**Status**	
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	25.39	Below	25.00	21.55	Well Above	**Spatial Planning and Environment** R McGaffin
		Reason for Variance: The marginal difference can be attributed to the department determining a specific baseline for the outer years during the target setting. This is the first year this indicator is on the Corporate Scorecard. **Remedial Action:** Ongoing monitoring by management .			**Reason for Variance:** Target achieved and results driven performance management maintained. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
	1.B Average number of days taken to process building applications of 500 square meters or more (LED3.13)	35.00	33.52	Above	35.00	36..33	Below	**Spatial Planning and Environment** R McGaffin
		Reason for Variance: Continuous monitoring by management to maintain the momentum in processing the building plans. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** The target of 35 days for processing large building plans (over 500 m²) in Quarter 2 was not met because there were only three applications of this size – too few to give a reliable average. However, all three applications were approved within the legal 60-day timeframe required by the National Building Regulations and Standards Act (Act 103 of 1977). **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous 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%	99.93%	Above	93.00	99.95%	Above	**Finance** K Jacoby
		Reason for Variance: Optimising resources and addressing queries efficiently and effectively has been a priority. Meetings with the Registrar of Deeds office and the Legal Practice Council have contributed significantly to this effort. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** There were no system malfunctions during the period. Most applications submitted were complete and accurate, which allowed for efficient processing. Any queries that arose were resolved promptly and effectively. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
	1.D Commercial electricity services applications finalised within industry standard timeframes (%) [REMOVED]	Removed	Removed	Removed	Removed	Removed	Removed	
		Reason for Variance: This key performance indicator was removed from the corporate scorecard during the 2023/2024 amendment period. **Remedial Action:** No further action.			**Reason for Variance:** This key performance indicator was removed from the corporate scorecard during the 2023/2024 amendment period. **Remedial Action:** No further action.			
	1.E Council approved trading plans developed or revised for informal trading (number)	AT	AT	AT	AT	AT	AT	**Economic Growth** R Gelderbloem
		Reason for Variance: This indicator has an Annual Target which is due at the end of quarter 4 of 2023/2024. **Remedial Action:** No further action required.			**Reason for Variance:** This indicator has an Annual Target which is due at the end of quarter 4 of 2025/2026. **Remedial Action:** No further action required.			
1. Increased Jobs and Investment in the Cape Town economy	1.G Number of work opportunities created through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes) (LED1.21)	12 500	24 555	Well Above	12500	21630	Well Above	**Urban Waste Management** Jason Mc Neil
		Reason for Variance: Achievement was possible due to the iimplementation of projects with higher number of EPWP workers than expected. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reasons for Variance** These are provisional stats as at 30 November 2025 and the final stats will be available by 19 January 2026. **Remedial Actions** The department engaged with the relevant line departments and Corporate OPM and the targets will be amended during the mid-year adjustment process to realign the targets to reflect actual implementation capacity.			
	1.H Average time taken to finalise informal trading permits (LED3.12)	30	29.53	Above	30.00	19.84	Well Above	**Economic Growth** R Gelderbloem
		Reason for Variance: Above target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** Due to the implementation of strict management controls and close monitoring of the E-Permitting Standard Operating Procedure (SOP), there has been a notable improvement in the turnaround time for the issuance of permits. The Lean Management training undertaken by the AED team has also contributed positively to these efficiency gains. **Remedial Action:** Management will continue to closely monitor the average turnaround time for the issuance of trading permits to ensure sustained efficiency and service improvement..			
Priority: Basic Services								
2. Improved access to quality and reliable basic services	2.A Taps provided in informal settlements (number) (NKPI)	300	169	Well below	300	283	Below	**Water and Sanitation** L. Manus
		Reason for Variance: The ongoing extortion faced by contractors has led to widespread delays in project implementation and completion in areas such as Khayelitsha, Delft, and Philippi has led to widespread delays in project implementation and completion. As a result, the installation of taps in informal settlements has been severely impacted. **Remedial Action:** Project managers are working closely with relevant stakeholders, including law enforcement, ward councillors, Subcouncil managers, community leaders, and contractors, to determine a safe way forward for continuing projects in the affected areas. Meanwhile, work in nonaffected areas will proceed as planned, maintaining momentum and ensuring continuous improvements.			**Reason for Variance:** The variance is largely due to material shortages experienced in Ward 97 (Khayelitsha). These constraints hindered our ability to install 100 taps, resulting in us missing our second quarter target. **Remedial Action:** The department remains committed to achieving this indicator, and the installation of these taps is expected during the third quarter.			
2. Improved access to quality and reliable basic services	2.B Toilets provided in informal settlements (number)(NKPI)	1 100	3 186	Well Above	2000	2669	Well Above	**Water and Sanitation** L. Manus
		Reason for Variance: The over-performance is attributed to additional requests from newly formed areas, as well as the condemnation and replacement of PFTs that have reached the end of their lifespan. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** The over-performance is linked to additional requests received from newly formed areas, as well as condemnation and replacements of PFT's that have reached end of their lifespan. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
	2.C Percentage of recognised informal settlements receiving basic waste removal services (ENV3.11)	99%	100.00%	Above	99%	In Progress	In Progress	**Urban Waste Management** Jason Mc Neil
		Reason for Variance: Above target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Commemt:** The actual performance for Quarter 1 of this key performance indicator is currently under review. The City is consulting with National Treasury to confirm the appropriate methodology for reporting this indicator.			
	2.D Subsidised electricity connections installed (number) (NKPI)	750	177	Well below	750	1279	Well Above	**Energy** K Nassiep
		Reason for Variance: Tender 082Q expired on 3 September 2024, and currently, there is no active replacement tender in place currently. In the interim, small electrification projects have been carried out under the temporary use of Tender 177S. **Remedial Action:** An approved deviation tender process (DP8409), valid for 12 months, will be utilised for electrification projects starting in January 2025.			**Reason for Variance:** The target was exceeded because delays in planned EPWP projects from Quarter 1 were resolved during this period. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			

2025/2026 QUARTER 2 PERFORMANCE REPORT - CITY OF CAPE TOWN — **Annexure 1.1**

Well Above (✓) | Above (●) | On target (▲) | Below (●) | Well below (✗) | AT - Annual Target

IDP Objective	Key Performance Indicator	2024/2025 Quarter 2 Performance			2025/2026 Quarter 2 Performance			Directorate and Responsible Executive Director
		Target	Actual	Status	Target	Actual	Status	
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 (MVA)	135	176.22	Well Above	10.00	25.628	Well Above	**Energy** K Nassiep
		Reason for Variance: Requests for installations are customer driven. There was a higher than expected number of requests for installations received during the quarter. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** Customer driven not incontrol of KPI. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
	3. B Load-shedding level variance (%)	16%	25%	Well Above	16%	24%	Well Above	**Energy** K Nassiep
		Reason for Variance: Exceptional low load-shedding incidents. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** No load-shedding incidents were recorded during the quarter. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
4. Well-managed and modernised infrastructure to support economic growth	4.A Sewer reticulations pipelines replaced (metres)	40 000	57 868	Well Above	40000	33989	Well below	**Water and Sanitation** L. Manus
		Reason for Variance: In the first quarter, several construction-phase projects were carried over from the 2023/24 financial year. The continuation of these projects, along with contractor and project management performance surpassing expectations, significantly contributed to the Department's over-performance **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** The variance is predominantly due to a transitional period affecting our primary delivery contract for trenchless sewer rehabilitation (CIPP lining), as we move from the existing term tender 104Q/2021/22 to the new term tender 44Q/2024/25. The 44Q/2024/25 procurement process experienced delays beyond our control, including an appeal that is still under consideration. This introduced uncertainty and constrained the timely issuing and execution of work packages during Q2. Although an amendment to 104Q/2021/22 was implemented as a mitigation measure, the transition nonetheless materially affected delivery during the quarter. **Remedial Action:** The Reticulation Branch will accelerate delivery during the second half of the financial year, supported by the recent appointment of a dedicated Professional Officer to drive work package preparation and execution. Subject to the finalisation of the 44Q/2024/25 appeal process, we anticipate recovering the shortfall and achieving the targeted cumulative metreage by June 2026.			
4. Well-managed and modernised infrastructure to support economic growth	4.B Compliance with drinking water quality standards (%)	99%	99.42%	Above	99%	99.72%	Above	**Water and Sanitation** L. Manus
		Reason for Variance: Above target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** No action required, as the variance is deemed immaterial. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.. Please note measuring methodology will change after the mid-year amendment due to alignment with the Circular 88 definition.			
	4.C Total augmented water capacity in mega litres per day	AT	AT	AT	AT	AT	AT	**Water and Sanitation** L. Manus
		Reason for Variance: This indicator has an Annual Target which is due at the end of quarter 4 of 2024/2025. **Remedial Action:** No further action required.			**Reason for Variance:** This indicator has an Annual Target which is due at the end of quarter 4 of 2025/2026.. **Remedial Action:** No further action required.			
	4.D Valid applications for residential water services closed within the response standard (%) (NKPI)	80%	89.10%	Above	80%	95.28%	Well Above	**Water and Sanitation** L. Manus
		Reason for Variance: Above target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** Well above target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
4. Well-managed and modernised infrastructure to support economic growth	4.E Valid applications for residential sewerage services closed within the response standard (%)(NKPI)	80%	89.10%	Above	80%	95.28%	Well Above	**Water and Sanitation** L. Manus
		Reason for Variance: Above target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** Well above target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
4. Well-managed and modernised infrastructure to support economic growth	4.F Service requests for non-collection of refuse resolved within three working days (%) (NKPI)	96%	76.59%	Well below	96%	65.40%	Well below	**Urban Waste Management** Jason Mc Neil
		Reason for variance: 2 687 service requests (C3 notifications) relating to non-collection of refuse bins were reported for Quarter 1 and 2. In comparison to the 18 192 858 service points over both quarters, this represents 0.015% for non-collection incidents, indicating a collection success rate of 99.985%. Key observations: • Instances were noted where customers submitted complaints about non-collection, while in reality, they had failed to place their refuse bins out for collection, resulting in additional costs to service these customers, repeat offenders were identified during the process. • Some complaints were logged prematurely when delays occurred during scheduled services on specific days. These complaints are addressed once backlogs are cleared as a priority. Such service requests are not always closed in a timely manner, as confirmation from operational staff is required before administrative staff can close the notifications. • There are interdependencies between the manual and automated service request (C3 notification) system processes. Consequently, the complexity of handovers results in delays in the timely closure of notifications. For example, while 95.39% of notifications were closed, only 76.59% met the target of closure within three working days. Therefore, the service request system alone cannot be relied upon as the sole performance metric, as it may not fully reflect the actual performance of this KPI. **Remedial action:** • A more detailed analysis will be conducted in Q3 to identify instances where customers may abuse the service request system. Findings will be shared with the Corporate Call Centre for further attention. Additionally, the Department will explore the use of bin lifters, tracking systems, and GPS technology, among other solutions. • The Department is enhancing operations at the Operations Control Centre (OCC) to gain deeper insights into non-collection issues by linking service request queries with data from trucks and bin lifters. • Any further enhancements to the service request system for Urban Waste Management are currently dependent on the timeline of the SAP Core Application Refresh (CAR) Programme. • A process review has been completed to review the turnaround times of non-collection.			**Reason for variance:** Well below target.			
4. Well-managed and modernised infrastructure to support economic growth	4.G Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards (EE1.13)	95%	69.00%	Well below	95%	74.50%	Well below	**Energy** K Nassiep
		Reason for Variance: High number of applications being received makes achieving the provision of supply within required timeframes difficult with current resources. **Remedial Action:** Systems being developed to improve turnaround time of applications.			**Reason for Variance:** This largely depends on the volume of applications received. Within the National Rationalised Specification (NRS) Working Group (WG), none of the other municipalities – including Eskom – are meeting the target. For this reason, the target was reduced and agreed at 80%, even though many participants felt it should be lower, in the range of 70–75%. **Remedial Action:** Continue to monitor the process and implement improvements where feasible.			
Priority: Safety								
safer	5.A Drone flights used for safety and security activities (number)	250	1 527	Well Above	500	2 425	Well Above	**Safety and Security** V Botto
		Reason for Variance: Increased need for drone services resulted in the target being exceeded. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** Performance increased due to higher operational demand driven by the festive season and the associated campaigns. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			

2025/2026 QUARTER 2 PERFORMANCE REPORT - CITY OF CAPE TOWN | **Annexure 1.1**

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

IDP Objective	Key Performance Indicator	2024/2025 Quarter 2 Performance			2025/2026 Quarter 2 Performance			Directorate and Responsible Executive Director
		Target	Actual	Status	Target	Actual	Status	
5. Effective law enforcement to make communities s	5.B Roadblocks focussed on drinking and driving offences (number)	338	422	Well Above	350.00	539	Well Above	Safety and Security V Botto
		Reason for Variance: Traffic Services is often required to deploy members to additional tasks due to operational requirements which happen as and when the crime situation changes. This then leads to the target being exceeded.. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** The target was exceeded because roadblocks were conducted based on operational requirements. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
	5.C Closed-Circuit Television (CCTV) detected incidents relayed to responders (number)	4 600	33 777	Well Above	17500	22 183	Well Above	Safety and Security V Botto
		Reason for Variance:: The Master Service Requests (MSRs) created by the CCTV Centres for detected incidents are essential in driving responses from both uniformed and non-uniformed staff. Their prompt handling of these requests significantly contributes to achieving the target. Additionally, the representation and supervision within the CCTV Centres are crucial for generating MSRs, enabling the Radio Dispatching Centres to identify and deploy the closest available resources to respond to camera incidents. The availability of response units is also a key factor in meeting this target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** The target was exceeded because the various CCTV Centres assisted by creating Master Service Requests (MSRs) for detected incidents and assigning them to the most appropriate response teams. . **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
6. Strengthen partnerships for safer communities	6.A New auxiliary law enforcement volunteers recruited (number)	60	7	Well below	0.00	0.00	On target	Safety and Security V Botto
		Reason for Variance: Recruitment Process Challenges: 1. Stringent Criteria: To uphold high standards, strict criteria and thorough checks were applied. Of 1,800 applications, only 95 met the requirements, falling short of the 130-candidate target. To fill the gap, a second intake is currently being processed. 2. New Online System: The new online system presented unforeseen challenges in screening and processing applications. 3. Mandatory Training: Candidates must complete Peace Officer training before receiving a volunteer contract, extending the overall recruitment timeline. **Remedial Action:** Adjustment of target timeline: A request has been made to revise the targets for the 2025/26 reporting year, with recruitment results expected to be realized in Q3 and Q4. As a result, the primary focus during Q1 and Q2 will be on selection, ensuring a thorough and efficient process. Training and appointments will occur in Q3 and Q4, in alignment with the annual goal of recruiting and training 120 auxiliary members. Optimised recruitment efforts: The reopening of the application system will facilitate the recruitment of a sufficient number of qualified candidates to meet the training college's quota. Insights gained from the first intake are being used to refine and streamline the process, enhancing efficiency moving forward. This revised approach will help ensure that the annual target is achieved while upholding the quality and integrity of the recruitment and training program.			**Reason for Variance:** No auxiliary officers were appointed in Quarter 2 as planned. Newly recruited candidates are currently completing the required college training, which is progressing as scheduled. However, the candidate pool has decreased significantly due to a high failure rate in practical driving assessments, which verify safe vehicle operation despite candidates holding valid licences. To address the shortfall, the recruitment process was reopened to attract new applicants and reinvite those who missed previous assessments. **Remedial Action:** Additional recruitment cycle launched in Q2 to avoid shortfall; progress monitored with Training College.			
	6.B Client satisfaction survey for neighbourhood watch support programme (%)	77%	100%	Well Above	96%	100.00	Above	Safety and Security V Botto
		Reason for Variance: The actual achieved for Q2 24/25 is based on the neighbourhood watch's satisfaction with the services provided by the City .This is based on surveys completed for the period under review. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** The target was exceeded because positive results from neighbourhood watch satisfaction surveys indicated strong approval of departmental services during the review period. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous 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)	AT	AT	AT	AT	AT	AT	Human Settlements N Gqiba
		Reason for Variance: This indicator has an Annual Target which is due at the end of quarter 4 of 2024/2025. **Remedial Action:** No further action required.			**Reason for Variance:** This indicator has an Annual Target which is due at the end of quarter 4 of 2025/2026. **Remedial Action:** No further action required.			
	7.B Human Settlement top structures (houses) provided per housing programme (number)	350	1 372	Well Above	750.00	651	Well below	Human Settlements N Gqiba
		Reason for Variance: The Goodwood Station Social Housing Project was completed earlier than the anticipated and various housing projects are ahead of the construction programme. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** The Atlantis Phase 2.1a and Maroela South top-structure projects experienced delays due to the preferred bidder appointment process, which postponed commencement on site. **Remedial Action:** Both the Maroela and Atlantis contractors were established on site toward the end of Quarter 2. Construction timelines will be accelerated to meet the original targets for this financial year.			
	7.C Formal housing serviced sites provided (number)	450	569	Well Above	650	1 002	Well Above	Human Settlements N Gqiba
		Reason for Variance: The Greenville Phase 5 project is ahead of the construction programme due to good contractor performance. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** Practical completion was achieved for all sites under the Atlantis Kanonkop Phase 2 Project during Quarter 2. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
7. Increased supply of affordable, well located homes	7.D Hectares of land acquired for human settlements in the municipal area (HS1.13)	AT	AT	AT	19	0	Well below	Human Settlements N Gqiba
		Reason for Variance: This indicator has an Annual Target which is due at the end of quarter 4 of 2024/2025. **Remedial Action:** No further action required.			**Reason for Variance:** Market valuations are underway for most acquisitions, while Portion 73 of Farm Gustrouw No. 918 has been successfully registered in the City's name. **Remedial Action:** Valuation capacity was increased by engaging external valuers.			
	7.E Number of title deeds registered to beneficiaries (HS1.22)	1 400	1 331	Below	800	2039	Well Above	Human Settlements N Gqiba
		Reason for Variance: Providing a Section 137 certificates was not a requirement in the past for historical projects when rates clearance were requested to enable transfers. Since the start of the 2024/25 financial year, this has been a new requirement and has impacted the delivery of historical transfers resulting in the delay of transfers.. **Remedial Action:** Engaging the Engineering Services Departments to determine the minimum requirements to confirm the installation of services to obtain Section 137 clearance.			**Reason for Variance:** Council approval was obtained for the exemption of Sec 137 clearance on Historical Transfers which enable the over achievement of the quarterly target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
omes in backyards		440	170	Well below	200	196	Below	

2025/2026 QUARTER 2 PERFORMANCE REPORT - CITY OF CAPE TOWN — **Annexure 1.1**

Well Above ✔ **Above** ● **On target** ▲ **Below** ● **Well below** ✖ **AT - Annual Target**

IDP Objective	Key Performance Indicator	2024/2025 Quarter 2 Performance Target	2024/2025 Actual	2024/2025 Status	2025/2026 Quarter 2 Performance Target	2025/2026 Actual	2025/2026 Status	Directorate and Responsible Executive Director
8. Safer, better-quality h informal settlements and t over time	8.A Informal settlement sites serviced (number)	**Reason for Variance:** The planned target was not met due to the City appointing an alternative contractor for Bosasa Link Phase 2 project was scheduled to deliver 100 serviced sites by end Q2. Not all the planned sites for Fisantekraal and Garden cities sites could not be timeously supported with completion certificates for by end Q2 due to construction industry closure. **Remedial Action:** An accelerated construction programme will be undertaken during Q3 to deliver Military Heights, Village Heights, Bosasa Link Ph 2 and Gaba Village.			**Reason for Variance:** The variance is due to land consolidation and the implementation of a higher-density housing approach in Vukani Street, which resulted in fewer individual sites being created. The infrastructure delivered was designed to provide one-to-one services for 69 flats. **Remedial Action:** Accelerated construction will be undertaken during Q3 and Q4 to deliver individual sites on Mfuleni Ext. 1 and Enkanini.			**Human Settlements** N Gqiba
Priority: Public Space, Environment and Amenities								
9. Healthy and sustainable environment	9.A Percentage of biodiversity priority areas protected (ENV4.21)	A/T	A/T	AT	AT	AT	AT	**Spatial Planning and Environment** R McGaffin
		Reason for Variance: This indicator has an Annual Target which is due at the end of quarter 4 of 2024/2025. **Remedial Action:** No further action required.			**Reason for Variance:** This indicator has an Annual Target which is due at the end of quarter 4 of 2025/2026. **Remedial Action:** No further action required.			
	9.B Percentage of biodiversity priority area within the municipality (ENV4.11)	A/T	A/T	AT	AT	AT	AT	**Spatial Planning and Environment** R McGaffin
		Reason for Variance: This indicator has an Annual Target which is due at the end of quarter 4 of 2024/2025. **Remedial Action:** No further action required.			**Reason for Variance:** This indicator has an Annual Target which is due at the end of quarter 4 of 2025/2026. **Remedial Action:** No further action required.			
	9.C Severe/Moderate dehydration in children under the age of five presenting at City health facilities with diarrhea (%)	AT	AT	AT	AT	AT	AT	**Community Services and Health** Z Mandlana
		Reason for Variance: This indicator has an Annual Target which is due at the end of quarter 4 of 2024/2025. **Remedial Action:** No further action required.			**Reason for Variance:** This indicator has an Annual Target which is due at the end of quarter 4 of 2025/2026. **Remedial Action:** No further action required.			
10. Clean and healthy waterways and beaches	10.A Percentage of coastline with protection measures in place (ENV5.11)	6.15%	6.27%	Above	6.15%	6.27%	Above	**Spatial Planning and Environment** R McGaffin
		Reason for Variance: Above target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** There is consistent monitoring to maintain the standard of protection of the coastline. **Remedial Action:** Maintain the standard with ongoing monitoring and reporting.			
	10.B Days in a year that Vleis are open (%)	AT	AT	AT	AT	AT	AT	**Water and Sanitation** L. Manus
		Reason for Variance: This indicator has an Annual Target which is due at the end of quarter 4 of 2024/2025. **Remedial Action:** No further action required.			**Reason for Variance:** This indicator has an Annual Target which is due at the end of quarter 4 of 2025/2026. **Remedial Action:** No further action required.			
11. Quality and safe parks and recreation facilities supported by community partnerships	11.A Recreation and Parks open space mowed according to annual mowing plan (%)	AT	AT	AT	AT	AT	AT	**Community Services and Health** Z Mandlana
		Reason for Variance: This indicator has an Annual Target which is due at the end of quarter 4 of 2024/2025. **Remedial Action:** No further action required.			**Reason for Variance:** This indicator has an Annual Target which is due at the end of quarter 4 of 2025/2026. **Remedial Action:** No further action required.			
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	1.05	Above	1.02	1.02	On target	**Urban Mobility** Regan Melody
		Reason for Variance: Above target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** On target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
	12.B Passenger journeys travelled on MyCiTi buses (number)	9 450 000	9 870 775	Above	9950000	9940572	Below	**Urban Mobility** Regan Melody
		Reason for Variance: Above target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** Passenger journeys declined below projections during Quarter 2 of the 2025/26 financial year. This decrease is primarily attributable to a reduction in passengers and ridership arising from bus shortages, vehicle breakdowns, and service unreliability on the N2 Express service. **Remedial Action:** Improve bus availability and reliability of the N2 Express service.			
	12.C Road corridors on which traffic signal timing plans are updated (number)	AT	AT	A/T	A/T	A/T	AT	**Urban Mobility** Regan Melody
		Reason for Variance: This indicator has an Annual Target which is due at the end of quarter 4 of 2024/2025. **Remedial Action:** No further action required.			**Reason for Variance:** This indicator has an Annual Target which is due at the end of quarter 4 of 2025/2026. **Remedial Action:** No further action required.			
13. Safe and quality roads for pedestrians, cyclists and vehicles	13.A Surfaced road resurfaced (kilometres)	35	69.3	Well Above	40.00	56.70	Well Above	**Urban Mobility** Regan Melody
		Reason for Variance: There has been a concerted effort to plan and begin implementation earlier in the financial year. Combined with the contracts being in place, this has enabled us to exceed the targets set. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** There has been a concerted effort to plan earlier, and start implementation earlier in the financial year. This, together with the contracts being in place has made it possible to exceed the targets set. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
	13.B Number of potholes reported per 10 kms of municipal road network	28	15.36	Well Above	28.00	10.68	Well Above	**Urban Mobility** Regan Melody
		Reason for Variance: Well above target. An actual reported lower than the target reflects good performance in this instance. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** Over achievement 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								
		230	291	Well Above	230	354	Well Above	**Safety and**

2025/2026 QUARTER 2 PERFORMANCE REPORT - CITY OF CAPE TOWN								Annexure 1.1
Well Above ✔	Above ●	On target ▲	Below ●	Well below ✖	AT - Annual Target			
IDP Objective	**Key Performance Indicator**	**2024/2025 Quarter 2 Performance: Target**	**Actual**	**Status**	**2025/2026 Quarter 2 Performance: Target**	**Actual**	**Status**	**Directorate and Responsible Executive Director**
14. A Resilient City	14.A Public safety awareness and preparedness sessions held in the communities (number)	**Reason for Variance:** The number of fire awareness programs increased due to the escalating occurrence of informal settlement fires. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** A rise in the number of informal settlement fires has led to an increase in requirement and provision of fire awareness programmes. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			Safety and Security V Botto
14. A Resilient City	14.B New Disaster Risk Management volunteers recruited (number)	AT	AT	AT	0	0	On target	Safety and Security V Botto
		Reason for Variance: This indicator has an Annual Target which is due at the end of quarter 4 of 2024/2025. **Remedial Action:** No further action required.			**Reason for Variance:** On target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
4. A Resilient City	14.C Storm water cleaning budget spend (%)	30%	44.85%	Well Above	30%	43.76%	Well Above	**Urban Mobility** Regan Melody
		Reason for Variance: The cleaning program is ahead of schedule. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** Cleaning cycles were increased to address rising flooding complaints and high-risk flood-prone areas, resulting in overperformance on this indicator. **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)	AT	AT	AT	AT	AT	AT	**Spatial Planning and Environment** R McGaffin
		Reason for Variance: This indicator has an Annual Target which is due at the end of quarter 4 of 2024/2025. **Remedial Action:** No further action required.			**Reason for Variance:** This indicator has an Annual Target which is due at the end of quarter 4 of 2025/2026. **Remedial Action:** No further action required.			
Priority: A Capable and Collaborative City Government								
16. A Capable and Collaborative City Government	16.A Community satisfaction City-wide survey (score 1–5)	AT	AT	AT	AT	AT	AT	**Future Planning and Resilience** G Morgan
		Reason for Variance: This indicator has an Annual Target which is due at the end of quarter 4 of 2024/2025. **Remedial Action:** No further action required.			**Reason for Variance:** This indicator has an Annual Target which is due at the end of quarter 4 of 2025/2026. **Remedial Action:** No further action required.			
16. A Capable and Collaborative City Government	16.B Opinion of independent rating agency	High investment rating	High investment rating	On target	High investment rating	High investment rating	On target	**Finance** K Jacoby
		Reason for Variance: On target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** On target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
16. A Capable and Collaborative City Government	16.C Audit Outcome (GG3.1)	Unqualified Audit	Unqualified audit opinion with no findings.	On target	Complete 100% of the audit actions within the unique deadline set as per the Audit Action Plan	In Progress	In Progress	**Finance** K Jacoby
		Reason for Variance: On target. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** The audit outcome for the 2024/25 financial year is not available yet due to the delay of the external audit. The audit is expected to be finalised by 26 January 2026. Refer to Annexure A. **Remedial Action:** None.			
16. A Capable and Collaborative City Government	16.D Total Capital Expenditure as a percentage of Total Capital Budget less contingencies (%)	40%	35.00%	Below	41%	37.40%	Below	**Finance** K Jacoby
		Reason for Variance: Targets were based on the Original Budget, while the Council approved an adjustments budget for August 2024 to accommodate roll-overs from the 2023/24 financial year. It should be noted that the majority of roll-overs were allocated to internally generated funds and borrowings, as grant approvals were still pending. As a result, the City chose to fund these grants from its own resources temporarily, until January 2025. Additionally, there has been a concerted effort to encourage line functions to commit to and spend on capital purchases earlier in the financial year. This approach ensures sufficient resources are available later in the year for more complex projects and allows greater focus on addressing potential issues that may arise. **Remedial Action:** To be monitored by department for continious improvements.			**Reason for Variance:** Predominantly due to delays on the following projects within the Integrated Rapid Transit (IRT) Phase 2Aprogramme: 1. Trunk-E2-M9 Duinefontein -Railway - Intsikizi: Coordination challenges between two contractors. 2. Trunk-E3-M9 Intsikizi - Morning Star: Contractor underperformance. 3. W1 Roadway - Imam Haron/Chichester: Outstanding invoice. 4. Station Construction - Claremont - Mitchells Plain: Service relocation delays. **Remedial Action:** The identified challenge is being addressed through reprogramming and enhanced coordination between the civil works and bulk watermain contractors to improve production. A coordinated programme is under development and is expected to be submitted by mid-February 2026, with budget and cash flow amendments in the January 2026 adjustments budget.			
16. A Capable and Collaborative City Government	16.E Cash/cost coverage ratio (FM3.11) (NKPI)	1.7:1	2:1	Above	1.7:1	2.57:1	Well Above	**Finance** K Jacoby
		Reason for Variance: Above target. **Remedial Action:** No remedial action required.			**Reason for Variance:** This variance stems from operational inefficiencies,market conditions and resource allocation. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
16. A Capable and Collaborative City Government	16.F Net Debtors to annual income (NKPI)	19.53%	14.95%	Above	18.47%	13.53%	Well Above	**Finance** K Jacoby
		Reason for Variance: An analysis of the debtors' book in relation to generated sales (revenue) shows that when actual figures are lower than target figures, it indicates a positive outcome of over-collection from debtors. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			**Reason for Variance:** Analysis of the debtors book compared to generated revenue shows that when actual figures are lower than the target, it indicates a positive outcome due to over-collection from debtors. **Remedial Action:** Continue to maintain the momentum and ensure ongoing continuous improvements.			
16. A Capable and Collaborative City Government	16.G Percentage of total operating revenue to finance total debt (Total Debt (Borrowing) / Total operating revenue) (FM2.1)	31.79%	20.20%	Well Above	AT	AT	AT	**Finance** K Jacoby
		Reason for Variance: 16.G evaluates the billed revenue generated in relation to our borrowings. A lower actual figure indicates that we are generating enough revenue to cover our debt obligations, which is a positive outcome for our organisation. **Remedial Action:** To be monitored by line department for continuous improvements.			**Reason for Variance:** This indicator has an Annual Target which is due at the end of quarter 4 of 2025/2026.			
16. A Capable and Collaborative City Government		Removed	Removed	Removed	Removed	Removed	Removed	

<table>
<tr><th colspan="6">2025/2026 QUARTER 2 PERFORMANCE REPORT - CITY OF CAPE TOWN</th><th colspan="3">Annexure 1.1</th></tr>
<tr><td colspan="9">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="3">2024/2025
Quarter 2 Performance</th><th colspan="3">2025/2026
Quarter 2 Performance</th><th rowspan="2">Directorate and Responsible Executive Director</th></tr>
<tr><th>Target</th><th>Actual</th><th>Status</th><th>Target</th><th>Actual</th><th>Status</th></tr>
<tr><td></td><td>16.H Kilometres of fibre infrastructure for broadband connectivity installed (kilometres)</td><td colspan="3">Reason for Variance:
This key performance indicator was removed from the corporate scorecard during the 2023/2024 amendment period.

Remedial Action:
No further action required.</td><td colspan="3">Reason for Variance:
This key performance indicator was removed from the corporate scorecard during the 2023/2024 amendment period.

Remedial Action:
No further action required.</td><td></td></tr>
<tr><td rowspan="6">16. A Capable and Collaborative City Government</td><td rowspan="2">16.I Employees from the Employee Equity (EE) designated groups in the three highest levels of management (%)(NKPI)</td><td>76%</td><td>76.90%</td><td>●</td><td>76%</td><td>76.62%</td><td>●</td><td rowspan="2">Future Planning and Resilience

G Morgan</td></tr>
<tr><td colspan="3">Reason for variance:
Above target.

Remedial action:
Continue to maintain the momentum and ensure ongoing continuous improvements.</td><td colspan="3">Reason for Variance
The overachievement is a positive trend towards achieving the 77% target set for this indicator in the 2026-27 financial year, through positive collaboration with leadership and line management.

Remedial action
The remedial action is future focused and collaboration with line management will continue to work towards achieving the 77% target in 2026-27.</td></tr>
<tr><td rowspan="2">16.J Budget spent on implementation of Workplace Skills Plan (%) (NKPI)</td><td>30%</td><td>36.75%</td><td>✔</td><td>38%</td><td>47.75%</td><td>✔</td><td rowspan="2">Corporate Services

E Sass</td></tr>
<tr><td colspan="3">Reason for variance:
There was a significant influx of internal financial support payments from line departments for the 2024 Academic Year. Additionally, the legislative training tender concluded in December 2024, with a high level of training by City employees.

Remedial action:
Continue to maintain the momentum and ensure ongoing continuous improvements.</td><td colspan="3">Reason for Variance:
The overachievement of the training budget is primarily due to increased demand for compliance and accredited training ahead of the 30 June 2026 registration deadline for unit standards, as well as early processing of internal financial support payments.

Remedial Action:
Continue to maintain the momentum and ensure ongoing continuous improvements.</td></tr>
<tr><td rowspan="2">16.K Percentage of official complaints responded to through the municipal complaint management system (GG2.31)</td><td>90%</td><td>91.16%</td><td>●</td><td>90%</td><td>93.91%</td><td>●</td><td rowspan="2">Corporate Services

E Sass</td></tr>
<tr><td colspan="3">Reason for variance:
Above target.

Remedial action:
Continue to maintain the momentum and ensure ongoing continuous improvements.</td><td colspan="3">Reason for Variance:
Above target.

Remedial Action:
Continue to maintain the momentum and ensure ongoing continuous improvements.</td></tr>
</table>