THE CITY OF EKURHULENI (CoE): ADJUSTED CAPITAL AND OPERATING BUDGET 2025/26 FINANCIAL YEAR AND ADJUSTED 2025/2026 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

1. PURPOSE

The purpose of this report is to recommend that Council **approves** adjustments made to the 2025/26 SDBIP, Capital and Operating Budgets as well as grants. This report is divided into two parts as follows:

- The first part deals with adjustments to the operating and capital budgets, including conditional grants; and
- The second part covers adjustments to the city-wide and departmental Service Delivery and Budget Implementation Plans (SDBIPs).

2. STRATEGIC PRIORITY

To promote good governance and report on the financial sustainability of the City.

3. WARDS AFFECTED

All wards.

4. IDP LINKAGE

Good Governance.

5. EXECUTIVE SUMMARY

The main adjustment budget is required by section 28 of the Municipal Finance Management Act. The factors that contributed to this adjustment are:

- Actual performance of the budget for the past six months of the financial year and re-classification of items within revenue.
- Additional **R113.1m** UDFG for Trading Services allocated to Energy.
- Reallocation of UDFG **(R2.1m)** from Capex to Opex;
- Reallocations between projects – acceleration of performing projects with identified savings from non-performing projects.

CONSOLIDATED	2025/26 Original Budget	YTD Actuals as at 31 January 2026	% Actual	Proposed Adjustments	2025/26 Budget after adjustments
Total operating revenue (excluding capital transfers and contributions)	65 495 404 835	38 581 564 208	58.91%	829 975 029	66 325 379 864
Total operating expenditure	64 845 129 362	32 941 063 396	50.80%	649 833 655	65 494 963 017
Surplus/(Deficit)	*650 275 473*	*5 640 500 812*		*180 141 374*	*830 416 847*
Total Capital Budget	3 197 115 099	1 658 737 875	51.88%	158 261 653	3 355 376 752

The table above shows that at a consolidated level, the total operating revenue **increases** by **R829.9 million**, whilst the operating expenditure **increases** by **R649.8 million**. The operating surplus after adjustments **increases by R180.1 million to 830.4 million.** The reasons for changes in revenue and expenditure are elaborated in section 6.2 below.

The consolidated capital budget is **adjusted upwards by R158.26 million** from R3.197 billion to R3.355 billion as a result of additional UDFG allocation as gazetted in DoRA, reallocation of Revenue to other projects and reallocation of USDG from Capex to Opex.

6. BACKGROUND AND DISCUSSION

6.1. LEGISLATIVE BACKGROUND

Section 28 of the Municipal Finance Management Act (MFMA, 56 of 2003) deals with adjustments budgets. In terms of the Act, an adjustments budget is intended to do the following:

Sub-Section 2

a) *Must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;*

b) *May appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes* ***[already budgeted for]****;*

c) *May, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;*

d) *May authorise the utilisation of projected savings in one vote towards spending under another vote;*

e) *May authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;*

f) *May correct any errors in the annual budget; and*

g) *May provide for any other expenditure within a prescribed framework.*

Cognisance should also be taken of the requirements as set out in Chapter 4 of the Municipal Budget and Reporting Regulations, which addresses the following:

Section 21: Formats of adjustment budget;

Section 22: Funding of adjustment budget;

Section 23: Timeframes for tabling of adjustment budget;

Section 24: Submission of tabled adjustment budget;

Section 25: Approval of adjustment budget;

Section 26: Publication of approved adjustment budget; and

Section 27: Submission of approved adjustment budget.

The following Annexures are provided:

- Adjustments of the Operating Budget (Annexure A)
- Adjustments of the Capital Budget (Annexure B)
- Adjustment of the SDBIP (City-wide) (Annexure C)
- Adjustment of the SDBIP (Departmental) (Annexure D)
- National Treasury Adjustment Schedule (Annexure E)

6.2. ADJUSTMENTS TO THE OPERATING BUDGET

The adjustments to the operating revenue and expenditure are presented in the sections below.

6.2.1. Operating revenue

The table below shows the **upward adjustments** in the operating revenue by **R829.9** million to R66.325 billion.

2025/26 Adjusted operating revenue

Description	Budget Year 2025/26			2025/26 - ADJUSTMENT BUDGET		
	Annual Budget - 2025/26 R	YTD Actual - 2025/26 R	% Actual	2025/26 Adjustments submitted R	Proposed Adjustments	2025/26 Budget after Adjustments R
> CONSOLIDATED						
Exchange Revenue						
Service charges - electricity revenue	27,521,064,643	13,587,086,959	49%	-	-	27,521,064,643
Service charges - water revenue	7,535,802,181	4,380,620,343	58%	366,979,823	366,979,823	7,902,782,004
Service charges - sanitation revenue	4,990,963,073	2,452,311,129	49%	390,667,968	390,667,968	5,381,631,041
Service charges - refuse revenue	1,778,880,938	804,928,462	45%	517,843,680	-	1,778,880,938
Sale of Goods and Rendering of Service	161,522,348	80,572,999	50%	0	-	161,522,348
Agency services	348,280,865	181,576,121	52%	-	-	348,280,865
Interest earned from Receivables	1,093,924,492	777,643,469	71%	231,768,401	231,768,401	1,325,692,893
Interest earned from current and Non C	137,205,896	58,639,524	43%	(8,541,314)	(8,541,314)	128,664,582
Rental from fixed Assets	173,843,993	82,234,444	47%	-	-	173,843,993
Operational Revenue	183,177,342	66,816,924	36%	-	-	183,177,342
Non-Exchange Revenue						
Property rates	10,833,546,224	5,265,238,047	49%	-	-	10,833,546,224
Fines, penalties and forfeits	819,239,751	125,970,500	15%	(401,198,374)	(401,198,373)	418,041,378
Transfers and subsidies- Operational	7,078,484,738	4,769,580,401	67%	24,849,357	24,849,357	7,103,334,095
Interest	288,513,298	245,522,249	85%	101,265,600	101,265,601	389,778,899
Fuel Levy	1,795,381,000	1,196,920,000	67%	-	-	1,795,381,000
Operational Revenue-	755,574,053	466,970,584	62%	124,183,566	124,183,566	879,757,619
Total Revenue (excluding capital transfers and contributions)	**65,495,404,835**	**34,542,632,153**	**53%**	**1,347,818,707**	**829,975,029**	**66,325,379,864**

The operating revenue changes are due to the following factors:

- Services charges - budget for excess consumption is transferred to debt impairment as the consumption is limited to 10kl for registered indigents and 6kl for deemed indigents.
- Transfers and subsidies - operational - adjustments as follows:
  - Additional grant to EHC for maintenance of Pharoe Park **- R10 million,**
  - UDFG allocation for Metro Trading Services allocated to Energy **- R12.5 million,**
  - Transfer of USDG from Capex to Opex - **R2.1 million**
- Reduction of traffic fines budget as the Traffic Management is not yet functional, and

- Adjustments to other revenue items such as interest earned from receivables and current assets, fines, penalties and forfeits, and operational revenue are based on mid-year performance.

6.2.2. Operating expenditure

The operating expenditure **increases by R649.8 million to** R65.494 billion. The table below shows the details of the adjustments in the various line items.

2025/26 Adjusted operating expenditure

Description	Budget Year 2025/26				2025/26 - ADJUSTMENT	
	Annual Budget - 2025/26 R	YTD Budget - 2025/26 R	YTD Actual as at January '26 - 2025/26 R	% Actual	Proposed Adjustments R	2025/26 Budget after Adjustments R
> CONSOLIDATED						
Expenditure By Type						
Employee related costs	13,477,154,766	6,779,612,633	6,813,541,942	51%	(371,489,780)	13,105,664,986
Remuneration of councillors	177,669,114	88,834,686	97,285,230	55%	-	177,669,114
Debt impairment	5,927,854,671	2,963,927,358	3,418,254,120	58%	845,213,870	6,773,068,541
Depreciation & asset impairment	3,203,403,641	1,601,702,424	1,431,486,884	45%	(102,208,931)	3,101,194,710
Finance charges	1,626,590,805	617,897,071	498,291,276	31%	(35,000,000)	1,591,590,805
Bulk purchases - electricity	22,806,142,157	11,859,193,923	11,791,526,319	52%	(160,000,000)	22,646,142,157
Inventory consumed	7,986,962,844	3,381,488,152	3,514,883,048	44%	(5,002,422)	7,981,960,422
Contracted services	6,785,601,632	3,337,721,869	3,935,150,097	58%	407,663,458	7,193,265,090
Transfers and subsidies	962,104,174	479,687,426	382,175,251	40%	7,500,000	969,604,174
Irrecoverable debts written off	1,829,993	915,000	26,766,622	1463%	-	1,829,993
Other expenditure	1,889,815,565	998,338,852	1,031,702,608	55%	63,157,460	1,952,973,025
Total Expenditure	**64,845,129,362**	**32,109,319,394**	**32,941,063,396**	**51%**	**649,833,655**	**65,494,963,017**

The changes in the various line items on operating expenditure is attributable to the following factors:

- 50% reduction on insourcing provision to contracted services and further reduction on other employee related costs to fund departmental requests,
- Increase in debt impairment due to transfer from excess consumption, interest from outstanding debtors and operational revenue,
- Increase on contracted services to appropriate grant funded expenditure, address service delivery backlogs, outsourced services,
- Bursaries increased by **R8 million** to a total budget of R15 million,
- Re-allocation of funds within the expenditure items.

The table below depicts repairs and maintenance allocation per department:

Department	Budget Year 2025/26		2025/26 - ADJUSTMENT BUDGET			Comments
	2025/26 Annual Budget	YTD Actual - 2025/26	2025/26 Adjustments submitted	Proposed Adjustments	2025/26 Proposed Adjustment Budget	
COMMUNITY SAFETY	77,832,205	37,013,234	(5,371,311)	(5,371,311)	72,460,894	Reduction on maintenance of equipment due non-realisation of traffic fines revenue as Traffic fines Management System is not functional
COMMUNITY SERVICES	28,881,735	2,717,562	108,195,631	108,195,631	137,077,366	**Maintenance budget moved from Waste Business Unit(R60.1m).** Maintenance of vehicles(R7m), Maintenance of parks and Cemetries - Vegetation controls & signage & request to fund Geo-Tech to test land suitability for burial space(R16m), Maintenance of Equipment (R25m)
ENERGY	1,440,010,478	823,804,219	125,000,000	85,000,000	1,525,010,478	Vehicle maintenance(R10m), infrastructure maintenance(R75m), Not funded is vehicle maintenance of R40m but R12m is tranferred to capex for procurement of vehicles
FINANCE	3,509,461	278,572	-	-	3,509,461	
HUMAN RESOURCES	1,162,825	41,179	-	-	1,162,825	
HUMAN SETTLEMENTS	21,568,700	278,236	-	-	21,568,700	
REAL ESTATE AND DEVELOPMENT PLANNING	126,952,692	9,554,011	(4,980,514)	(4,980,514)	121,972,178	Re-allocation within the department for regularisation of townships
ROADS AND TRANSPORT MANAGEMENT	820,751,271	457,590,167	221,133,941	**62,882,686**	883,633,957	Net increase. Additional budget for rehabilitation program(R235m), Additional budget for Traffic Signals (R12.5), Reduction in railway sidings(R195m)
SERVICE DELIVERY COORDINATION	7,516,032	550,109	-	-	7,516,032	
STRATEGY AND CORPORATE PLANNING	50,000	-	-	-	50,000	
WASTE MANAGEMENT BUSINESS UNIT	298,840,454	152,827,083	(29,695,631)	(60,195,631)	238,644,823	**Maintenance budget moved from Waste Business Unit(R60.1m),** Not funded landfill maintenance(R30.5m)
WATER AND SANITATION	565,580,713	292,746,236	40,322,326	40,322,326	605,903,039	Net increase: Additional funds for installation of restrictors and addressing water leaks(R40m), Re-allocation from R&M to Meter management costs(-R2m),
ERWAT	193,307,521	80,350,051	(913,675)	(913,675)	192,393,846	Propotionate reduction in expenditure as a result of decline in service charges revenue due to the revised gross volume of the cross- boundaries sewerage flows.
EHC	4,750,411	401,804	6,850,000	6,850,000	11,600,411	Renovation of Pharoe Park
OTHER DEPARTMENTS	275,059,486	62,663,760	-	-	275,059,486	
Grand Total	**3,865,723,984**	**1,920,816,223**	**460,540,767**	**231,789,512**	**4,097,513,496**	

Additional allocation of **R231.7 million** results in an increase in the repairs and maintenance budget from R3.865 billion to **R4.097 billion**.

The details of the adjusted operating revenue and expenditure are contained in **Annexure A**.

6.3. ADJUSTMENTS TO THE CAPITAL BUDGET

The proposed adjustments to the **City and its entities** results in a **net increase of R158,261 million.** The capital budget, therefore, **increases** from R3.197 billion to R3.355 billion.

The proposed adjustment is a combination of:

- Reallocations between projects – acceleration of performing projects with identified savings from non-performing projects.
- Additional **R113.1m** UDFG for Trading Services allocated to Energy.
- Reallocation of USDG **(R2.1m)** from Capex to Opex;
- Revenue source of funding net increase of **R47.2m** as a result of a decrease in alternative ablution facilities **(R90m)** allocation and other Revenue funded projects receiving additional allocations **(R137.2m).** Details are below.

Annexure B contains the original budget, adjustments and the new budget.

The proposed capital adjustment per department is summarised in the table below:

2025/26 PROPOSED CAPITAL ADJUSTMENT PER DEPARTMENT

Department	Budget as at 31 January 2026	Actual Year to Date Incl Committments - 31 Jan 2026	Actual Spent %	Reductions (-)	Additional Requests (+)	Net Proposed Adjustments	2025/26 Budget after Adjustment
Communications, Marketing and Tourism	-	-	0,0%		750 000	750 000	750 000
Community Safety	91 600 000	45 995 631	50,2%			-	91 600 000
Community Services	90 750 000	10 811 939	11,9%	(6 750 000)	11 250 000	4 500 000	95 250 000
Ekurhuleni Housing Company (EHC)	5 709 267	1 869 247	32,7%			-	5 709 267
Energy	513 081 652	451 923 975	88,1%		125 170 500	125 170 500	638 252 152
ERWAT	294 995 612	113 281 748	38,4%	(188 564 913)	188 564 913	-	294 995 612
Executive Office	1 000 000	-	0,0%	(360 000)	360 000	-	1 000 000
Human Settlement	491 433 348	166 431 899	33,9%	(34 253 099)	32 094 252	(2 158 847)	489 274 501
Information and Communication Technology	100 000 000	63 632 388	63,6%		115 000 000	115 000 000	215 000 000
Real Estate & Development Planning	30 736 220	5 843 096	19,0%	(1 338 118)	1 338 118	-	30 736 220
Roads & Transport Management	570 850 000	296 469 276	51,9%	(103 103 303)	103 103 303	-	570 850 000
Service Delivery Coordination	52 000 000	22 534 591	43,3%		5 000 000	5 000 000	57 000 000
Waste Business Unit	197 800 000	140 513 147	71,0%	(9 250 000)	9 250 000	-	197 800 000
Water and Sanitation	757 159 000	339 430 938	44,8%	(162 100 000)	72 100 000	(90 000 000)	667 159 000
Total	**3 197 115 099**	**1 658 737 875**	**51,88%**	**(505 719 433)**	**663 981 086**	**158 261 653**	**3 355 376 752**
Parent Municipality	2 896 410 220	1 543 586 880	53,29%	(317 154 520)	475 416 173	158 261 653	3 054 671 873
Entities	300 704 879	115 150 995	38,29%	(188 564 913)	188 564 913	-	300 704 879
Total	**3 197 115 099**	**1 658 737 875**	**51,88%**	**(505 719 433)**	**663 981 086**	**158 261 653**	**3 355 376 752**

The table shows, amongst others, that;

- Capital budget spending including commitments as at 31 January 2026 amounted to R1.658 billion, or 51.88% of the budget of R3.197 billion;
- Submitted reductions amounted to R505.71 million; and
- Additions submitted by departments amounted to R663.98 million;
- The net adjustments amount to an increase of R158.26 million.

The discussion below covers the sources of funding the adjusted capital budget.

Name of Grant	Budget as at 31 January 2026	Actual Year to Date Incl Committment s - 31 Jan 2026	Actual Spent %	Reductions (-)	Additional Requests (+)	Net Proposed Adjustments	2025/26 Budget after Adjustment
Informal Settlement Upgrading Partnership Grant (ISUPG)	769 706 000	419 982 091	54,56%	(39 094 252)	39 094 252	-	769 706 000
SRAC Provincial Grant	12 200 000	2 927 202	23,99%			-	12 200 000
Public Transport Network Grant (PTNG)	224 000 000	117 591 214	52,50%	(31 200 000)	31 200 000	-	224 000 000
Revenue	709 265 879	333 802 550	47,06%	(194 255 304)	241 505 304	47 250 000	756 515 879
Urban Development Financing Grant (UDFG)	41 736 220	11 965 824	28,67%		113 170 500	113 170 500	154 906 720
Urban Settlement Development Grant (USDG)	1 440 207 000	772 468 994	53,64%	(241 169 877)	239 011 030	(2 158 847)	1 438 048 153
Total	**3 197 115 099**	**1 658 737 875**	**51,88%**	**(505 719 433)**	**663 981 086**	**158 261 653**	**3 355 376 752**
Grants	2 487 849 220	1 324 935 325	53,26%	(311 464 129)	422 475 782	111 011 653	2 598 860 873
Internal funding	709 265 879	333 802 550	47,06%	(194 255 304)	241 505 304	47 250 000	756 515 879
Total	**3 197 115 099**	**1 658 737 875**	**51,88%**	**(505 719 433)**	**663 981 086**	**158 261 653**	**3 355 376 752**

The table above shows the sources of funding the capital budget. It shows, amongst others, that;

- Revenue increased with R47.2m as a result of a decrease in alternative ablution facilities (R90m) allocation. Other Revenue funded projects received additional allocation:
    - R115m for ICT Projects,(Fibre, ICT equipment; Security for ICT, Wifi nodes; Coida system and Data Centres.)
    - R5m to complete the Duduza CCA project;
    - R8m for the procurement of 2 graders for community services;
    - R12m to address the aging fleet in the Energy department
- UDFG is increasing with R113.1m as a result of additional allocation from DoRA. These funds are allocated to Trading Services, in particular Energy department, to address the aging infrastructure.
- USDG is decreasing with R2.1m which is transferred to Opex for capacity relating to project managers and housing brigades.

Finally, the sources of funding the capital budget increase by R158.26 million from R3.197 billion to R3.355 billion.

The detailed project list reflecting the adjustments is attached as **Annexure B.**

7. 2025/2026 CITY-WIDE AND DEPARTMENTAL PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS ADJUSTMENT

7.1 LEGISLATIVE BACKGROUND

The mayor is required in terms of section 54 (1) of the Local Government Municipal Finance Management Act, 56 of 2003 to upon receipt of the MFMA section 71 or section 72 statement or report submitted by the accounting officer of the municipality;

(a) consider the statement or report,
(b) check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
(c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that the revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustment budget.
(d) issue any appropriate instructions to the accounting officer to ensure-
    (i) that the budget is implemented in accordance with the service delivery and budget implementation plan; and
    (ii) that spending of funds and revenue collection proceeds in accordance with the budget;
(e) identify any financial problems facing the municipality, including any emerging or impending financial problems, and
(f) in case of a section 72 report, submit the report to the council by 31 January of each year.

Sectio 54 (2) If the municipality faces any serious financial problems, the mayor must –

(a) promptly respond to and initiate any remedial or corrective steps proposed by the accounting officer to deal with such problems, which may include-
    (i) steps to reduce spending when revenue is anticipated to be less than projected in the municipality's approved budget;
    (ii) the tabling of an adjustment budget; or
    (iii) steps in terms of Chapter 13; and

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

Section 54 (3) The mayor must ensure that any revisions of the service delivery and budget implementation plan are made public promptly.

7.2 PROCESS FOLLOWED IN THE ADJUSTMENT OF THE 2025/2026 CITY-WIDE AND DEPARTMENTAL PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS

The schedule of key deadlines for the 2026/2027 planning and budgeting process was approved by council on 31 July 2025, and further planning and budgeting guidelines and principles for adjustment were communicated to the COE departments in November 2025.

The diagram below summarises the key deadlines for the 2026/2027 IDP and 2026/2027 - 2028/2029 MTREF process that was approved by council on 31 July 2025.

Key deadlines for the 2026/2027 Planning and budgeting process as per council approved schedule of key deadlines.

PROCESS	ACTIVITY	TIMELINE
Planning	Prepare and table the schedule of key deadlines for the review, preparation tabling and approval of the integrated development plan and the annual budget	July - August 2025
Strategising	Stakeholder/Community Consultation. Analysis of previous performance and current trends. Review of the Integrated Development Plan and budget preparation process. Consider national and provincial priorities and planning guidelines. Consider Political and Administrative Imperatives	October 2025
Preparing	Preparation of the draft Integrated Development Plan, draft Annual budget and Budget Related Policies	October 2025 – February 2026
Tabling	Tabling of the Annual Report for the previous financial year at council Tabling of the mid-year assessment report for the current financial year at council Tabling of the adjustment budget and adjusted SDBIP for the current financial year at council Tabling of the draft IDP, draft annual budget and budget related policies for the next financial year at council Consultation with stakeholders and the community for comments and inputs on the draft IDP, draft annual budget and budget related policies for the next financial year. Consider stakeholder and community inputs on the tabled draft IDP and draft annual budget during the finalization of the IDP and Budget.	January - April 2026
Approving	Tabling of the Amended IDP, Annual Budget and budget related policies for the next financial year at council for consideration and approval.	May 2026
Finalising	Finalisation and tabling of the Service Delivery and Budget Implementation Plan (SDBIP) for the next financial year to the Mayor for approval Finalisation and signing of annual performance agreements	June- July 2026

7.2.1 2025/2026 SERVICE DELIVERY AND BUDGET IMPEMENTATION PLAN (SDBIP) ADJUSTMENT GUIDELIDES

1. The adjustments budget must inform the adjustment of the quarter 3 and quarter 4 SDBIP service delivery targets. There must be a correlation between the adjustment of the SDBIP targets and the budget.

2. The 2025/2026 mid-year budget and performance assessment report (MFMA Section 72 report) must be considered when adjusting the service delivery targets and indicators.

3. Only quarter 3 and quarter 4 service delivery targets in the 2025/2026 SDBIP may be adjusted. Q1 and Q2 targets may not be adjusted since they have been implemented already and reported on the mid-year budget and performance assessment.

4. In cases where the adjustment of the Q3 and Q4 SDBIP targets affects the annual target, the annual target may be adjusted.

5. The adjustment must consider recent audit comments/reports from the AGSA and Internal Audit.

6. Reasons and future remedial actions where applicable must be provided for the adjustment of service delivery indicators and targets.

7. The adjustment must be in line with the 2025/2026 SDBIP Departmental (lower layer) and City-Wide (top layer) adjustment templates.

8. The adjustment must consider the 2025/2026 funded IDP ward priorities **.**

9. Poor performance or inability to achieve targets in the first and second quarter of the financial year may not be used as reason for the adjustment of service delivery targets.

10. Departments/entities must adjust baselines to reflect the actual audited performance for the 2024/2025 financial year.

11. Technical Indicator Description Sheets (TIDS) must be adjusted in line with the adjustment of the service delivery indicators and targets.

12. The final adjusted 2025/2026 departmental (lower layer) SDBIPs must be approved and signed off by the HOD and MMC prior to submission to Strategy and Corporate Planning department and / a control sheet signed by the department’s HOD and the MMC must accompany the adjusted service delivery indicators and targets.

13. Departments/entities that do not wish to adjust the 2025/2026 SDBIP must indicate in writing with HOD’s signature.

7.2.2 TIMELINES FOR THE SUBMISSION OF 2026/2027 IDP INFORMATION AND DEPARTMENTAL SDBIP'S AND 2026/27-2028/29 MTREF

The table below provides timelines for the submission of the 2025/2026 adjustments Budget and SDBIP adjustments, 2026/2027 IDP information as well as the departmental (lower layer) SDBIP's and the 2026/2027-2028/2029 MTREF

Date	Activity	Responsible Department
1. Consultation with COE stakeholders for the 2026/27 IDP review		
09 September 2025	Consultation with the **COE internal departments** and Entities regarding **progress/status quo reports on the approved 2025/26 IDP ward priorities/needs**, as part of the 2026/2027 IDP and annual budget process.	Strategy and Corporate Planning and all COE Departments and Entities.
11 September 2025	Communication to and request for submissions from the COE Departments and Entities on the **comments from the MEC for Co-operative Governance and Traditional Affairs** on the COE Council adopted 2025/2026 IDP.	Strategy and Corporate Planning Department.
23 September 2025	IDP Intergovernmental Broad Inter-Sectoral Engagement. Consultation workshop with the **Gauteng Provincial Government Departments on Feedback on the 2024/25 and 2025/26 plans** and budgets or projects implemented within the City of Ekurhuleni.	Strategy and Corporate Planning and all COE Departments and Entities.
07 to 16 October 2025	Consultation with the COE **112 ward committees providing feedback on the approved 2025/2026 IDP** ward development priorities and **confirming ward development priorities for the 2026/2027** IDP and Budget process.	Strategy and Corporate Planning, Legislature, Service Delivery Coordination and all COE Departments and Entities.
08 October 2025	Communication to and request for submission from the COE Departments and Entities on the **National Strategic Hub 2026/2027 Living Municipal IDP template.**	Strategy and Corporate Planning Department.
14 November 2025	COE Departments first submission of information for the **2026/2027 IDP** in line with the MEC letter and the National Strategic Hub Living Municipal IDP Template to Strategy and Corporate Planning Department.	COE Departments and Entities.
2. Guidelines for the 2026/27 Draft IDP and Budget and the 2025/26 Adjustment Budget and SDBIP Adjustment and submissions		

Date	Activity	Responsible Department
21 November 2025	**Communication** to COE departments and Entities on the preparation of the IDP and the budget process for the next financial year **(detailed guidelines on the 2026/2027 IDP and 2026/2027 to 2028/2029 MTREF/budget process and the 2025/2026 Adjustments process).**	Finance and Strategy and Corporate Planning Departments.
01 to 03 December 2025	**SMT Lekgotla**	COE Departments and Entities.
01 to 05 December 2025	**Budget Steering Committee** to outline the Principles for 2025/26 Adjustment budget and the 2026/27 MTREF.	COE Departments and Entities.
21 November 2025 to 12 December 2025	**1st draft 2025/2026 adjustments budget, adjusted departmental (lower layer) SDBIP's** and draft 2026/2027 Departmental SDBIPs and draft budget submissions to Finance and Strategy and Corporate Planning departments.	COE Departments and Entities.
12 December 2025	**COE Departments final submission** of information for the **2026/2027 IDP** in line with the MEC letter and the National Strategic Hub Living Municipal IDP Template to Strategy and Corporate Planning Department.	COE Departments and Entities.
3. First Adjustment Budget and Adjusted SDBIP and Draft Budget and IDP and Scrutinization		
15 December 2025 – 19 December 2025	**Assessment** of 2025/2026 **adjustment budget and SDBIP and draft 2026/2027 departmental (lower layer) SDBIP's and Draft 2026/2027-2028/2029 MTREF** submissions, engagements with and feedback to departments on the submissions	Finance and Strategy and Corporate Planning Departments and COE Departments and Entities.
10 January 2026	**2nd draft 2025/2026 adjustments budget, adjusted departmental (lower layer) SDBIP's** and draft 2026/2027 Departmental SDBIPs and draft budget submissions to Finance and Strategy and Corporate Planning departments.	COE Departments and Entities.
12 January 2026	**SMT** to review total Budget Request prior to any refinement / balancing Review adjustment budget submission	COE Departments and Entities.
14 January 2026	**Budget Steering Committee** to review adjustment budget submission	COE Departments and Entities.
15 January to 20 January 2026	**MMC** one on ones with departments on the adjustment budget. To consider the Adjustment Budget submissions (both Opex and capex) and adjustments to the SDBIP.	COE Departments and Entities.

Date	Activity	Responsible Department
19 January 2026 to 30 January 2026	**Project ID allocation** and project detail capturing including project locality in ProCapMAN	Development Planning and Real Estate Department and COE Departments and Entities
21 to 29 January 2026	**Assessment** of 2025/2026 **adjustment budget and SDBIP and draft 2026/2027 departmental (lower layer) SDBIP's and Draft 2026/2027-2028/2029 MTREF** submissions, engagements with and feedback to departments on the submissions and balancing of adjustment budget.	Finance and Strategy and Corporate Planning Departments and COE Departments and Entities.
30 Jan 2026	Review of the 2025/2026 adjustments budget and adjusted SDBIP	Finance and Strategy and Corporate Planning Departments
4. Finalisation of the Adjustment budget and Adjusted SDBIP report		
02 February 2026	**SMT** to consider the Adjustment Budget Submissions (both Opex and Capex) and adjustments to the SDBIP.	COE Departments and entities
03 to 05 February 2026	**Budget Steering Committee** to consider the Adjustment Budget Submissions (both Opex and Capex) and adjustments to the SDBIP.	COE Departments and entities
18 February 2026	**Mayoral Committee** to consider the Adjustment Budget Submissions (both Opex and Capex) and adjustments to the SDBIP	COE Departments and entities
26 February 2026	**Council Meeting** to consider and approve the 2025/2026 Adjustment Budget Submissions (both Opex and Capex) and adjustments to the 2025/2026 SDBIP	COE Departments and entities
During February 2026	**NT Mid-Year Budget & Performance Assessment.** Request inputs on Mid-year assessment from department. Submission of presentation to NT a week prior to the visit (Final date to be communicated by NT)	COE Departments and entities
5. Draft 2026/27 Budget and 2026/27 amended IDP		
02 February 2026	**SMT** to consider draft Capital and Operating Budget, all draft tariff schedules and all draft policies, IDP (raw submissions)	COE Departments and entities
04 to 13 February 2026	**MMC one on ones** with departments to consider draft Capital and Operating Budget, all draft tariff schedules and all draft policies, IDP (raw submissions).	COE Departments and entities
16 February 2026	3rd **draft 2026/2027 departmental (lower layer) SDBIP's** submissions to Strategy and Corporate	COE Departments and Entities.

Date	Activity	Responsible Department
	Planning and **Draft 2026/2027-2028/2029 MTREF** to Finance Department.	
16 February 2026	**Departmental Submission of required Sector Plan to be Annexures in the 2026/2027 IDP** to Strategy and Corporate Planning (e.g. COE Disaster Management Plan, COE MSDF and RSDFs, COE Climate Change Response Strategy, LED, Human Settlements Plan etc.)	COE Departments and Entities.
16 to 20 February 2026	Consolidation of the draft IDP and balancing of MTREF budget	Finance and Strategy and Corporate Planning Departments
23 to 27 February 2026	Review of the MTREF and review and consolidation of the IDP	Finance and Strategy and Corporate Planning Departments
5.1 Tabling of the 2026/27 MTREF and the amended 2026/27 IDP		
02 March 2026	**SMT** to consider draft Capital and Operating Budget, all draft tariff schedules and all draft policies, IDP (balanced budgets)	COE Departments and Entities
03 to 07 March 2026	**Extended Budget Steering Committee** to consider draft Capital and Operating Budget, all draft tariff schedules and all draft policies, IDP (balanced budgets)	COE Departments and Entities
09 to 13 March 2026	Finalisation of MTREF, all draft tariff schedules and all draft policies and the IDP	Finance and Strategy and Corporate Planning Departments
12 to 13 March 2026	**Mayoral Strategic Session**	COE Departments and Entities
18 March 2026	**Mayoral Committee** to table the draft 2026/2027 IDP and 2026/2027 - 2028/2029 MTREF	Finance and Strategy and Corporate Planning Departments
26 March 2026	**Council meeting** to table the draft 2026/2027 IDP and 2026/2027 - 2028/2029 MTREF	Finance and Strategy and Corporate Planning Departments
5.2 2026/2027 Budget/IDP Consultations with Oversight Committees and Community participation		
30 March 2026	Make public the tabled draft 2026/2027 IDP and 2026/2027 - 2028/2029 MTREF in line with Section 75 of the MFMA and Chapter 4 of the MSA.	Finance and Strategy and Corporate Planning Departments.
30 March 2026	Distribution of draft IDP and Budget by Legislature to oversight committees	Legislature
7 -16 April 2026	Public participation as well as engagements with oversight committees on the Tabled 2026/2027 IDP and 2026/2027 - 2028/2029 MTREF in terms of Sections 22, 23 and 75 of the MFMA as well as Chapter 4 of the Municipal Systems Act and Section 3 of the Local Government Municipal Planning and Performance Management Regulations 2001	Finance, Strategy and Corporate Planning, Legislature, Service Delivery Coordination and all COE Departments.

Date	Activity	Responsible Department
April 2026	COGTA IDP Analysis Week 2026/2027	Finance, Strategy and Corporate Planning, and all COE Departments.
5.3 Finalisation, Benchmarking and adoption of the Amended 2026/27 IDP and approval of the 2026/27 Budget		
16 April 2026	**Departmental Submission of required Sector Plan to be Annexures in the 2026/2027 IDP** to Strategy and Corporate Planning (e.g. COE Disaster Management Plan, COE MSDF and RSDFs, COE Climate Change Response Strategy, LED, Human Settlements Plan etc.)	COE Departments and Entities.
04 May 2026	**SMT** to consider changes resulting from Oversight Committees inputs, public participation and the amended figures as per DORA, tariff pronouncements.	Finance, Strategy and Corporate Planning, and all COE Departments.
05 to 07 May 2026	**Extended Budget Steering Committee** to consider changes resulting from Oversight Committees inputs, public participation and the amended figures as per DORA, tariff pronouncements.	Finance, Strategy and Corporate Planning, and all COE Departments.
08 to 15 May 2026	**Make Final changes on the Budget/IDP.** Effect recommendations from the Budget Steering Committee and SMT on the Budget and IDP. Complete Final NT Tables	Finance and Strategy and Corporate Planning Departments.
May 2026	**Benchmarking** on the draft 2026/2027 IDP and 2026/2027 - 2028/2029 MTREF with National Treasury. Presentations to be compiled and submitted to NT a week prior to benchmarking (Final date to be communicated by NT)	Finance, Strategy and Corporate Planning, and all COE Departments.
20 May 2026	**Mayoral Committee** to consider the final changes on the COE **2026/2027 IDP** and **2026/2027-2028/2029 MTREF.**	Finance and Strategy and Corporate Planning Departments.
27 May 2026	**Council Meeting** to consider final changes to the Amended 2026/2027 IDP and 2026/2027 - 2028/2029 MTREF - **Budget Day**	Finance and Strategy and Corporate Planning Departments.
1 June 2026	Make public and circulate the council adopted Amended 2026/2027 IDP and 2026/2027 - 2028/2029 MTREF in line with Section 75 of the MFMA and Chapter 4 of the MSA.	Finance and Strategy and Corporate Planning Departments.

6. 2026/2027 Service Delivery and Budget Implementation Plan

Date	Activity	Responsible Department
1- 5 June 2026	4th **draft 2026/2027 departmental (lower layer) SDBIP's** submissions to Strategy and Corporate Planning Department.	All COE Departments and Entities.
1-5 June 2026	**Finalisation** of the **draft** COE **2026/2027** SDBIPs (Top and Lower Layers) for consideration by the mayor	Finance and Strategy and Corporate Planning Departments.
8 June 2026	**SMT** presentation of the COE **2026/2027 Service Delivery and Budget Implementation Plans (SDBIPs)** (Top and Lower Layers).	Finance and Strategy and Corporate Planning Departments.
10 June 2026	Submission of the draft Service Delivery and Budget Implementation Plans (SDBIPs) , (Top and Lower Layers for the next financial year/budget year (2026/2027) to the **mayor** no later than 14 days of the approval of the annual budget - in terms of Section 69 (3) (a) of the MFMA.	Finance and Strategy and Corporate Planning Departments.
10 June 2026	Submission of the draft annual performance agreements as required in terms of Section 57 (1) (b) of the Municipal Systems Act for the Municipal Manager and all Senior Managers for the next financial year/budget year (2026/2027) to the mayor, no later than 14 days of the approval of the annual budget- in terms of Section 69 (3) (b) of the MFMA.	Human Resources Department.
12 June 2026	**Final submissions of the 2026/2027 departmental** (lower layer) SDBIP's submissions to Strategy and Corporate Planning Department.	COE Departments and Entities.
12-14 June 2025	**Finalisation** of the COE Service Delivery and Budget Implementation Plans (SDBIPs) , (Top and Lower Layers for the next financial year/budget year (2026/2027).	Finance and Strategy and Corporate Planning Departments.
15 June 2026	**SMT** presentation of the COE **2026/2027 Service Delivery and Budget Implementation Plans (SDBIPs)** (Top and Lower Layers).	Finance and Strategy and Corporate Planning Departments.
24 June 2026	**Mayoral Committee** Submission of the Service Delivery and Budget Implementation Plans (SDBIPs), (Top and Lower Layers for the next financial year 2026/2027 to the **mayor** for approval within 28 days of the approval of the budget- In terms of Section 53 (1) (c) of the MFMA	Finance and Strategy and Corporate Planning Departments.
24 June-July 2026	Conclusion of the annual performance agreements as required in terms of Section 57 (1) (b) of the Municipal Systems Act for the Municipal Manager and all Senior Managers for the next financial	Human Resources and all COE Departments and Entities.

Date	Activity	Responsible Department
	year/budget year (2026/2027) **-** In terms of Section 53 (1) (c) of the MFMA	
30 July 2026	Table the 2026/2027 SDBIP and Annual Performance agreements at council for noting.	Finance, Strategy and Corporate Planning and Human Resources Departments.
July 2026	Make public the 2026/2027 SDBIP no later than14 days after approval – (MFMA Section 53 (3)) in line with Section 75 of the MFMA. Make public the 2026/2027 annual performance agreements no later than14 days after the approval of the SDBIP and submit copies to the Council and the MEC for Local Government in the Province– (MFMA Section 53 (3))- in line with Section 75 of the MFMA	Finance, Strategy and Corporate Planning and Human Resources Departments.

7.3 SUMMARY OF THE ADJUSTMENTS TO THE 2025/2026 SDBIP CITY WIDE AND DEPARTMENTAL PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS

This section provides a summary of the 2025/2026 SDBIP performance indicators and service delivery targets adjustment. The details are contained in the following Annexures:

- Adjusted 2025/2026 SDBIP City Wide Performance Indicators and Service Delivery Targets **(Annexure C)**
- Adjusted 2025/2026 SDBIP Departmental Performance Indicators and Service Delivery Targets **(Annexure D)**

The table below lists the departments that did not adjust their 2025/2026 SDBIP Performance Indicators and Service Delivery Targets.

DEPARTMENTS WITH NO ADJUSTMENTS TO THE 2025/2026 SDBIP PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS	
1.	Communications and Marketing and Tourism
2.	EPMO
3.	Finance
4.	Human Resources
5.	ICT
6.	Internal audit
7.	Legal and Risk Services
8.	Service Delivery Coordination

7.3.1 2025-2026 SDBIP City Wide adjusted performance indicators and service delivery targets- summary

The table below provides a summary of the adjustments to the City-Wide performance indicators and service delivery targets, describing the type of adjustment and providing the reasons for adjustment.

2025-2026 SDBIP CITY WIDE ADJUSTED PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS- SUMMARY			
Department/Business Unit	**Performance Indicator Reference Number and Short Description**	**Adjustment Description**	**Reason for Adjustment**
Community Safety	EMP 3 Percentage of CoE facilities protected	New indicator: The indicator measures the total count of sites guarded/protected by private security services within the city. Facilities refers to CoE buildings/structures with a specific purpose. A site is an area where a CoE facility is located. One site can have more than one facility. The target is 95% each quarter, all 747 facilities will be guarded/protected quarterly. Formula: The numerator is the number of COE facilities guarded/protected (747) and the denominator is the total number of COE facilities as per Development Planning and Real Estate Department's Report.	The indicator was introduced to measure performance against the budget on security services.
Community Safety	EMP 4 Percentage decrease in the number of vandalism or theft incidents reported at the CoE facilities with security measures	New indicator: This indicator measures a decrease in the total count of vandalism and/theft incidents reported at the CoE facilities with security measures. The current baseline for reported incidents is 40. The indicator measures an 8% decrease in the number of incidents reported from the current baseline which is equates to 3,2 less incidents reported bringing the baseline to 36,8.	The indicator was introduced to measure performance against the budget on security services
Community Safety	EMP 5 Number of interventions implemented to reduce incidents of vandalism and/theft in protected City of Ekurhuleni Facilities	New indicator: This indicator measures the total number of interventions implemented to reduce incidents of vandalism and/theft of city's facilities. Intervention are in the form of; community engagements/awareness campaigns conducted, monitoring of service providers by conducting site visits	The indicator was introduced to measure performance against the budget on security services
Community Safety	EMP 6 Rand value generated from road policing citations (fines issued for traffic violations)	New indicator: This indicator measures the value (in Rands) generated from road policing citations (fines issued for traffic violations). Issuing of police citations is an indication of the EMPDs effort to promote road safety and road user compliance in the city. Traffic contraventions are violations	The indicator was introduced to measure revenue collected from EMPD road policing citations.

2025-2026 SDBIP CITY WIDE ADJUSTED PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS- SUMMARY			
Department/Business Unit	**Performance Indicator Reference Number and Short Description**	**Adjustment Description**	**Reason for Adjustment**
		incurred by non-compliant motorists. A traffic violation entails contravention of rules of the road by users thereof. A traffic fine involves legal apportioning of monetary value as a sanction against violation of rules of the road.	
Community Safety	EMP 2 Number of interventions implemented to reduce crime and related incidents	The quarter 3 and quarter 4 targets are adjusted upwards from 105 to 140 respectively resulting in an increase in the annual target from 420 to 490.	The increase emanates from the formation of specialised units operating across all the regions, working jointly with other law enforcement agencies and community engagement in fighting crime within the city.
Community Services	SOD1 Number of Indigent households captured and verified.	The quarter 3 target is increased from 2000 to 3800 and the quarter 4 target is increased from 1140 to 3780, therefore increasing the Annual target increased from 4560 to 9000	The upward adjustment for Q3 and Q4 is attributed to the reviewed indigent support policy which allows households indigent applicants to submit affidavits in the absence of the letter of authority and the old age grant recipients who are exonerated from property value above the threshold. The developments contributed to the significant number of approved indigent applications.
Community Services	ENV 1.12 Percentage of AQ monitoring stations providing adequate data over a reporting year	The quarter 3 target is adjusted from 75% to zero.	The tender for maintenance and repairs for Ambient Monitoring Stations was cancelled due to non-award – Service provider failed to submit sufficient Financial Ability (Ability to Deliver) – previous annual turnover or any other proof of financial ability is limited to proof of financial ability from an accredited financial institution (registered in South Africa) (R 500 000).
Community Services	ENV4.11 Percentage of biodiversity priority area within the municipality	The indicator is removed from the departmental to the City Wide SDBIP	The indicator is removed from the departmental to the City Wide SDBIP
Community Services	ENV4.21 Percentage of biodiversity priority areas protected	The indicator is removed from the departmental to the City Wide SDBIP	The indicator is removed from the departmental to the City Wide SDBIP
Development Planning and Real Estate	LED1.31 Number of individuals connected to apprenticeships, learnerships and structured educational programmes through municipal interventions	Downward adjustment of the annual target from 50 to zero (0)	The City suspends the implementation of this KPI due to capacity constraints and will continue with its implementation in 2026/2027 financial year.
Development Planning and Real Estate	REDP1.2 Number of Bad buildings registered and condemned	Removal of a duplicated indicator	This KPI is duplicated on the scorecard, it is therefore removed to clear the duplication.
Energy Business Unit	FM3.12 Current ratio (current assets/current liabilities)	The quarter 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit
Energy Business Unit	FM3.13 Trade payables to cash ratio	The quarter 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero 40.50% aligned to the quarter 2 target.	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit
Energy Business Unit	FM3.14 Liquidity ratio	The quarter 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit

2025-2026 SDBIP CITY WIDE ADJUSTED PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS- SUMMARY			
Department/Business Unit	**Performance Indicator Reference Number and Short Description**	**Adjustment Description**	**Reason for Adjustment**
Energy Business Unit	FM4.31 Creditors payment period	The quarter 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit
Energy Business Unit	FM5.21 Percentage of total capital expenditure on renewal/upgrading of existing assets	The quarter 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit
Energy Business Unit	FM5.22 Renewal/Upgrading of Existing Assets as a percentage of Depreciation/Asset impairment	The quarter 3 target is adjusted to Zero as a result adjusting the annual target to Zero	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit
Energy Business Unit	FM5.31 Repairs and Maintenance as a percentage of property, plant, equipment and investment property	The quarter 3 target is adjusted to Zero as a result adjusting the annual target to Zero	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit
Energy Business Unit	FM7.12 Collection rate ratio	The quarter 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to 40%	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit
East Rand Water Care Company (ERWAT)	ERW1.3: Percentage compliance with wastewater treatment works license conditions and/or exemptions standards	The adjustment is on the indicator definition as well as the POE	Adjustment required on the indicator definition based on recommendations made by the AGSA in the recent annual audit. A review of the indicator portfolio of evidence indicated that it had to be corrected to require water quality results instead of flow readings
Finance & Human Settlement	HS2.21 Number of residential properties developed through state-subsidised human settlements programmes entering the municipal valuation roll	Downward adjustment of the annual target from 220 to zero (0)	The KPI is liked to HS1.11, which is funded through HSDG, so since there is no HSGD funding confirmation this KPI is affected and therefore adjusted to zero.
Human Settlement	HS1.11 Number of subsidised housing units constructed using various Human Settlements Programmes	Adjustment of the annual target from 220 units to zero (0)	The HSDG grant that was targeted to deliver on this commitment has not yet been gazetted then transferred to the City. the target is therefore adjusted downwards to 0
Human Settlement	HS1.12 Number of serviced sites	Correction of the annual target from 220 to 250	The annual target was corrected to be in line with the target committed for quarter 4
Human Settlement	WS1.11 Number of new sewer connections meeting minimum standards	Adjustment of the annual target from 220 units to zero (0)	The KPI is liked to HS1.11, which is funded through HSDG, so since there is no HSGD funding confirmation this KPI is affected and therefore adjusted to zero.
Human Settlement	HSD1.2 Number of informal settlements provided with interim basic services	Adjustment to the indicator definition	The indicator definition is adjusted to broaden the scope to accommodate additional service delivery elements relating to waste collection services in the informal settlements. This would be applicable in instances where communities refuse chemical toilets
Legislature	GG 2.11 Percentage of ward committees with 6 or more ward	The Portfolio of evidence is adjusted **from** Attendance registers AND	The Portfolio of Evidence is adjusted to clarify and update the indicator.

2025-2026 SDBIP CITY WIDE ADJUSTED PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS- SUMMARY			
Department/Business Unit	**Performance Indicator Reference Number and Short Description**	**Adjustment Description**	**Reason for Adjustment**
	committee members (excluding the ward councillor)	Payroll Register of Ward Committees **to** Attendance registers	
Roads and transport Management	TR6.13 KMs of new municipal road network	Upward adjustment of the annual target from 5.87km to 12.84km	Adjustment made to accommodate the projects carried over from the previous financial year due to late finalisation of the procurement process in the 2024/25 F/Y.
Roads and transport Management	RSD1.2 Kilometers of road network maintained	Downward adjustment of the annual target from 704km to 553km	Adjustment made due to prolonged procurement challenges in the awarding of the plant hire tender required to implement the KPI. The department needs to reduce the targeted performance on the maintenance of formal gravel.
Roads and transport Management	RSD1.3 Number of Storm water systems constructed	Upward adjustment of the annual target from 17 to 37 systems	Adjustment made to accommodate the projects carried over from the previous financial year due to late finalisation of the procurement process in the 2024/25 F/Y
Roads and transport Management	RSD1.5 Kilometers of non-motorized transport network expanded	Upward adjustment of the annual target from 12.50km to 14.76km	Adjustment made to accommodate the projects carried over from the previous financial year due to late finalisation of the procurement process in the 2024/25 F/Y
Strategy and Corporate Planning	CSP1 Number of amended integrated development plans approved by council	The indicator definition is amended **from** The indicator measures the number of amended IDPs approved by Council **to** The indicator measures the number of amended IDPs approved by Council. An Amended IDP refers to the CoE's Amended IDP in line with Section 34 of the Local Government Municipal Systems Act, 32 of 2000	The indicator definition was amended to further clarify the indicator.
Water and Sanitation Business Unit	WS1.6 Rand value of revenue generated from sale of services rendered by the department (Water)	Downard adjustment of the revenue target	The target in quarter 4 is calculated based on the historical collection rate for the same period, thereby reducing the annual target.
Water and Sanitation Business Unit	FM3.12 Current ratio (current assets/current liabilities)	The quarter 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit
Water and Sanitation Business Unit	FM3.13 Trade payables to cash ratio	The quarter 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero 40.50% aligned to the quarter 2 target.	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit
Water and Sanitation Business Unit	FM3.14 Liquidity ratio	The quarter 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit
Water and Sanitation Business Unit	FM4.31 Creditors payment period	The quarter 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit
Water and Sanitation Business Unit	FM5.21 Percentage of total capital expenditure on renewal/upgrading of existing assets	The quarter 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit
Water and Sanitation Business Unit	FM5.22 Renewal/Upgrading of Existing Assets as a percentage of	The quarter 3 target is adjusted to Zero as a result adjusting the annual target to Zero	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit

2025-2026 SDBIP CITY WIDE ADJUSTED PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS- SUMMARY			
Department/Business Unit	**Performance Indicator Reference Number and Short Description**	**Adjustment Description**	**Reason for Adjustment**
	Depreciation/Asset impairment		
Water and Sanitation Business Unit	FM5.31 Repairs and Maintenance as a percentage of property, plant, equipment and investment property	The quarter 3 target is adjusted to Zero as a result adjusting the annual target to Zero	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit
Water and Sanitation Business Unit	FM7.12 Collection rate ratio	The quarter 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to 40%	This KPI to be discontinued until the business unit is fully functional and all the budget and functions are centralised and rein-fenced to the business unit
Waste Management Business Unit	FM2.21 Cash backed reserves reconciliation at year end	The quarte 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero	The financial system is currently undergoing an unbundling process to separate revenue generated and revenue received for all Trading Services. This process is intended to ensure that revenue and expenditure attributable to the Waste Management Business Unit (BU) can be clearly identified within a standalone, auditable financial system. Once finalised, the Finance system will be able to generate and provide the required Portfolio of Evidence (POE) in line with the indicator requirements. To date, the indicator could not be achieved as the financial reports provided do not allow for the calculation of the indicator, and the required audited POE specific to the Waste Management BU has not yet been provided
Waste Management Business Unit	FM3.12 Current ratio (current assets/current liabilities)	The quarte 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero	The financial system is currently undergoing an unbundling process to separate revenue generated and revenue received for all Trading Services. This process is intended to ensure that revenue and expenditure attributable to the Waste Management Business Unit (BU) can be clearly identified within a standalone, auditable financial system. Once finalised, the Finance system will be able to generate and provide the required Portfolio of Evidence (POE) in line with the indicator requirements. To date, the indicator could not be achieved as the financial reports provided do not allow for the calculation of the indicator, and the required audited POE specific to the Waste Management BU has not yet been provided
Waste Management Business Unit	FM3.13 Trade payables to cash ratio	The quarte 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero 40.50% aligned to the quarter 2 target.	The financial system is currently undergoing an unbundling process to separate revenue generated and revenue received for all Trading Services. This process is intended to ensure that revenue and expenditure attributable to the Waste Management Business Unit (BU) can be clearly identified within a standalone, auditable financial system. Once finalised, the Finance system will be able to generate and provide the required Portfolio of Evidence (POE) in line with the indicator requirements. To date, the indicator could not be achieved as the financial reports provided do not allow for the calculation of the indicator, and the required audited POE specific to the Waste Management BU has not yet been provided

2025-2026 SDBIP CITY WIDE ADJUSTED PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS- SUMMARY			
Department/Business Unit	**Performance Indicator Reference Number and Short Description**	**Adjustment Description**	**Reason for Adjustment**
Waste Management Business Unit	FM3.14 Liquidity ratio	The quarte 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero 0.20 aligned to the quarter 2 target.	The financial system is currently undergoing an unbundling process to separate revenue generated and revenue received for all Trading Services. This process is intended to ensure that revenue and expenditure attributable to the Waste Management Business Unit (BU) can be clearly identified within a standalone, auditable financial system. Once finalised, the Finance system will be able to generate and provide the required Portfolio of Evidence (POE) in line with the indicator requirements. To date, the indicator could not be achieved as the financial reports provided do not allow for the calculation of the indicator, and the required audited POE specific to the Waste Management BU has not yet been provided
Waste Management Business Unit	FM4.31 Creditors payment period	The quarte 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero 60 days aligned to the quarter 2 target.	The financial system is currently undergoing an unbundling process to separate revenue generated and revenue received for all Trading Services. This process is intended to ensure that revenue and expenditure attributable to the Waste Management Business Unit (BU) can be clearly identified within a standalone, auditable financial system. Once finalised, the Finance system will be able to generate and provide the required Portfolio of Evidence (POE) in line with the indicator requirements. To date, the indicator could not be achieved as the financial reports provided do not allow for the calculation of the indicator, and the required audited POE specific to the Waste Management BU has not yet been provided
Waste Management Business Unit	FM5.21 Percentage of total capital expenditure on renewal/upgrading of existing assets	The quarte 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero	The financial system is currently undergoing an unbundling process to separate revenue generated and revenue received for all Trading Services. This process is intended to ensure that revenue and expenditure attributable to the Waste Management Business Unit (BU) can be clearly identified within a standalone, auditable financial system. Once finalised, the Finance system will be able to generate and provide the required Portfolio of Evidence (POE) in line with the indicator requirements. To date, the indicator could not be achieved as the financial reports provided do not allow for the calculation of the indicator, and the required audited POE specific to the Waste Management BU has not yet been provided
Waste Management Business Unit	FM5.22 Renewal/Upgrading of Existing Assets as a percentage of Depreciation/Asset impairment	The quarte 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero	The financial system is currently undergoing an unbundling process to separate revenue generated and revenue received for all Trading Services. This process is intended to ensure that revenue and expenditure attributable to the Waste Management Business Unit (BU) can be clearly identified within a standalone, auditable financial system. Once finalised, the Finance system will be able to generate and provide the required Portfolio of Evidence (POE) in line with the indicator requirements.

2025-2026 SDBIP CITY WIDE ADJUSTED PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS- SUMMARY			
Department/Business Unit	**Performance Indicator Reference Number and Short Description**	**Adjustment Description**	**Reason for Adjustment**
			To date, the indicator could not be achieved as the financial reports provided do not allow for the calculation of the indicator, and the required audited POE specific to the Waste Management BU has not yet been provided
Waste Management Business Unit	FM5.31 Repairs and Maintenance as a percentage of property, plant, equipment and investment property	The quarte 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero	The financial system is currently undergoing an unbundling process to separate revenue generated and revenue received for all Trading Services. This process is intended to ensure that revenue and expenditure attributable to the Waste Management Business Unit (BU) can be clearly identified within a standalone, auditable financial system. Once finalised, the Finance system will be able to generate and provide the required Portfolio of Evidence (POE) in line with the indicator requirements. To date, the indicator could not be achieved as the financial reports provided do not allow for the calculation of the indicator, and the required audited POE specific to the Waste Management BU has not yet been provided
Waste Management Business Unit	FM7.12 Collection rate ratio	The quarte 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero 40% aligned to the quarter 2 target.	The financial system is currently undergoing an unbundling process to separate revenue generated and revenue received for all Trading Services. This process is intended to ensure that revenue and expenditure attributable to the Waste Management Business Unit (BU) can be clearly identified within a standalone, auditable financial system. Once finalised, the Finance system will be able to generate and provide the required Portfolio of Evidence (POE) in line with the indicator requirements. To date, the indicator could not be achieved as the financial reports provided do not allow for the calculation of the indicator, and the required audited POE specific to the Waste Management BU has not yet been provided
Waste Management Business Unit	FM7.34 Net Surplus /Deficit Margin for Refuse	The indicator PoE is adjusted **from** :Previous financial period, mSCOA Budget Statement for Environmental Resource and Waste Management (ERWM) Department **to** Previous financial period, mSCOA Budget Statement for Waste Management Business Unit The quarte 3 and Quarter 4 targets are adjusted to Zero as a result adjusting the annual target to Zero.	Indicator PoE is adjusted to update the name of the department/business unit. The financial system is currently undergoing an unbundling process to separate revenue generated and revenue received for all Trading Services. This process is intended to ensure that revenue and expenditure attributable to the Waste Management Business Unit (BU) can be clearly identified within a standalone, auditable financial system. Once finalised, the Finance system will be able to generate and provide the required Portfolio of Evidence (POE) in line with the indicator requirements. To date, the indicator could not be achieved as the financial reports provided do not allow for the calculation of the indicator, and the required audited POE specific to the Waste Management BU has not yet been provided.

2025-2026 SDBIP CITY WIDE ADJUSTED PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS- SUMMARY			
Department/Business Unit	**Performance Indicator Reference Number and Short Description**	**Adjustment Description**	**Reason for Adjustment**

7.3.2 2025-2026 SDBIP adjusted Departmental performance indicators and service delivery targets- summary

The table below provides a summary of the adjustments to the departmental performance indicators and service delivery targets, describing the type of adjustment and providing the reasons for adjustment:

2025-2026 SDBIP DEPARTMENTAL ADJUSTED PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS- SUMMARY			
Department	Performance Indicator Reference Number and Short Description	Adjustment Description	Reason for Adjustment
Community Safety	8E. Number of social crime awareness programmes conducted in CoE wards	The quarter 3 and quarter 4 targets are increased from 60 to 80 respectively resulting in an increase in the annual target from 240 to 280.	The increase emanates from enhanced collaboration with other law enforcement agencies e.g. SAPS, community engagement on fostering a proactive community approach to safety due to increase in crime and support community policing initiatives.
Community Services	21P Percentage expenditure on departments capital budget	The quarter 3 target is adjusted from 55% to 35%.	The consultants panel has just been appointed and will hopefully be on site by mid to end March and this does not leave the department a lot of time to spend for Q3, but we will make up in the last quarter.
Community Services	ENV4.11 Percentage of biodiversity priority area within the municipality	The indicator is removed from the departmental to the City Wide SDBIP	The indicator is removed from the departmental to the City Wide SDBIP
Community Services	ENV4.21 Percentage of biodiversity priority areas protected	The indicator is removed from the departmental to the City Wide SDBIP	The indicator is removed from the departmental to the City Wide SDBIP
ERWAT	ERW1.1 Total revenue generated from external business	The indicator is removed from the departmental to the City Wide SDBIP	This KPI is elevated for reporting at Metro-Wide level and is removed from departmental scorecard to avoid duplication
ERWAT	ERW1.3 Percentage compliance with wastewater treatment works license conditions and/or exemptions standards	The indicator is removed from the departmental to the City Wide SDBIP	This KPI is elevated for reporting at Metro-Wide level and is removed from departmental scorecard to avoid duplication
ERWAT	FM7.33 Net Surplus /Deficit Margin for Wastewater	The indicator is removed from the departmental to the City Wide SDBIP	This KPI is elevated for reporting at Metro-Wide level and is removed from departmental scorecard to avoid duplication
Ekurhuleni Housing Company (EHC)	Approved: EHC14 Number of rental units allocated in line with SHRA letting criteria Adjusted: EHC14 Percentage of rental units allocated in line with SHRA letting criteria	Technical adjustment to the indicator – unit of measure	The unit of measure in the indicator short name adjusted to align with annual and quarterly targets.

2025-2026 SDBIP DEPARTMENTAL ADJUSTED PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS- SUMMARY			
Department	Performance Indicator Reference Number and Short Description	Adjustment Description	Reason for Adjustment
Ekurhuleni Housing Company (EHC)	EHC 1 Revenue collected as a percentage of amount billed	Technical adjustment to align the annual and Q4 target	The correction ensures proper alignment with the annual target, as the performance indicators are cumulative and measured on a year-to-date basis.
Ekurhuleni Housing Company (EHC)	EHC5 Rand value of revenue generated from new rental housing units	Downward adjustment of the revenue e target from R400 000 to R0	Target dependent on external factors outside the entity's control (The new project is in control of the City)
Ekurhuleni Housing Company (EHC)	EHC8 Number of rental housing projects packaged for funding application.	Downwards adjustment of the target from 3 (3 project s - Clayvill e Queen Street Airport Park) to 2 projects (Queen Street & Airport Park)	The Clayville project was removed due to the fact that it has been at a standstill since 2023, and no budget allocation has been made by the City for its completion in the current MREF budget.
Ekurhuleni Housing Company (EHC)	EHC9 Percentage of customer maintenance complaints resolved within 14 days.	Technical adjustment to the indicator definition to comply with the newly approved Standard Operating Procedures (SOP).	The reason for the adjustment is that, in terms of the approved SOP, the entity is only permitted to carry out maintenance repairs for tenants whose accounts are up to date. It is therefore necessary for the KPI description to explicitly reflect this requirement to ensure clarity, compliance, and accurate performance measurement.
Ekurhuleni Housing Company (EHC)	EHC12 % vacancy rate in rental complexes	An increase in the vacancy rate to 40%	Bulk eviction in Pharoe Park and Airport Park with no funds to renovate all the units for tenanting within the financial year.
Ekurhuleni Housing Company (EHC)	EHC1 6 Percentage of Senior and middle management with signed Performance agreements	Technical adjustment to the indicator short name to extent signing of performance agreements to all staff	The reason for the adjustment is to correct the indicator description by including the correct reference to EHC16: Percentage of senior and middle management and all staff with signed performance agreements, thereby ensuring the indicator accurately reflects the intended measure.
EPMO	Approved: EPMO4 Number of PMOs Functionality Assessments conducted with respect to the utilization of the Project Management System Adjusted: EPMO4 Number of PMOs Functionality Assessments conducted	Technical change to the indicator short name	The measurement focus of the indicator is now on implementation and maintenance of the key PMO elements and practices that are stipulated in the COE EIDMS Framework and not sorely on the Project Management System
EPMO	EPMO6 Number of Business Cases developed for infrastructure projects and/or programmes for potential external investors and grants funding.	Downward adjustment of the annual target from 4 to 2	The delay in the establishing a panel of consultants to be managed with EPMO from which to appoint consultant for the development of business cases makes the prospects of achieving this feat almost impossible given the time constraints the with be left to execute this task..

2025-2026 SDBIP DEPARTMENTAL ADJUSTED PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS- SUMMARY			
Department	Performance Indicator Reference Number and Short Description	Adjustment Description	Reason for Adjustment
EPMO	LED1.11 Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	Technical alignment of the annual target	The adjustment is to correct the annual target to be 2% and to be reported in quarter 4
EPMO	Approved: EPMO10 Number of building plans recommended by Plan Review Committee to Building Control Adjusted: Number of building plans reviewed for client department	Technical adjustment to the indicator short name	The thrust of the indicator is about the review of building plans by EPMO for client departments and not the recommendation of there plans to the Planning and Review Committee
Human settlement	HSD4 Number of Informal Settlements Realigned (Re-blocked)	Upward adjustment of the target from 3 to 5	The target is revised upwards to accommodate more informal settlements that must be re-blocked based on the current needs and demands
Human settlement	HSD8 Number of land use Specialist Studies submitted for approval	downward adjustment of the target from 10 to 5	The tender process relating to this KPI has not yet been finalised. Therefore, it would not be possible to complete some specialist studies within remaining months considering all the stages of prolonged value chain processes involved before finalising specialist studies for submission and consequently approval.
Human settlement	HSD9 Percentage of repairs and Maintenance Budget Spent	Technical alignment of the indicator target	To align the targets with the unit of measure in the KPI.
Human settlement	FM1.12 Total Operating Expenditure as a percentage of Total Operating Expenditure Budget	Technical alignment of the indicator target	To align the targets with the unit of measure in the KPI.
Human settlement	FM6.13 Percentage of tender cancellations	Technical alignment of the indicator target	To align the targets with the unit of measure in the KPI.
Human settlement	HSD.11 Number of title deeds distributed to beneficiaries	Downward adjustment of the annual target from 1000 to 600	The untraceable of rightful beneficiaries, family disputes, illegal sale of properties and title deeds with errors. The registration of new title deeds by Gauteng Department of Human Settlements (GDHS) is hampered by delays in the signing of Section 118(Finance and Rates Clearance Form). The untraceable of rightful beneficiaries, family disputes, illegal sale of properties and title deeds with errors.
Roads and Transport Management	RTMD4 Number of Eco-Systems upgraded and protected	Upward adjustment of the annual target from 4 to 6	Adjustment made to accommodate the projects carried over from the previous financial year due to late finalisation of the procurement process in the 2024/25 F/Y

2025-2026 SDBIP DEPARTMENTAL ADJUSTED PERFORMANCE INDICATORS AND SERVICE DELIVERY TARGETS- SUMMARY			
Department	Performance Indicator Reference Number and Short Description	Adjustment Description	Reason for Adjustment
Roads and Transport Management	RTMD5 Km of informal gravel roads graded	Downward adjustment of the annual target 100km to 70km	Adjustment made due to prolonged procurement challenges in the awarding of the plant hire tender required to implement the KPI. The department needs to reduce the targeted performance on the maintenance of gravel in informal areas around the City.
Roads and Transport Management	RTMD16 Average number of days taken for routine maintenance on all vehicles of the City	Discontinue the indicator	Remove KPI - The budget for repairs and maintenance of City vehicles has been decentralised to user departments. Roads and Transport Management unable to plan for routine maintenance of vehicles as the budget required needs to be allocated by user departments as and when required. In addition, the formation of business units for some service delivery departments (Waste, Water and Energy) will further affect this KPI as some processes will be taken over by these business units.
Roads and Transport Management	RTMD 17 Number of weekday passenger trips on scheduled municipal bus services – EBS	Downward adjustment of the annual target from 600 000 to 500 000	Operational Challenges with the newly implemented ticketing system.
Roads and Transport Management	RTMD19 Number of bus stop shelters added	Downward adjustment of the annual target from 40 to 30	Adjustment made due to delays in the finalisation of procurement processes.
Roads and Transport Management	RTMD20 Number of IPTN Stations completed	Downward adjustment of the annual target from 3 to zero (0)	Adjustment made due to delays in the finalisation of procurement processes.

8. RECOMMENDATIONS

1. That the report on the adjusted SDBIP, Capital and Operating Budgets for 2025/26 **BE APPROVED**;

2. That the 2025/26 Operating Budget as reflected in **Annexure A** be adjusted upwards with the amounts as reflected in the Annexure, as well as the adjustments of the Operating and Capital Grants as detailed in the report **BE ADJUSTED;**

3. That the 2025/26 Capital Budget of the City and its entities as reflected in **Annexure B BE ADJUSTED** upward by an amount of **R158.26 million**;

4. That the changes of Council's SDBIP for 2025/26 **BE APPROVED** as set out in the **Annexures C** and **D** of the report;

5. That the adjusted SDBIP, Capital and Operating budget for the 2025/26 **BE APPROVED.**