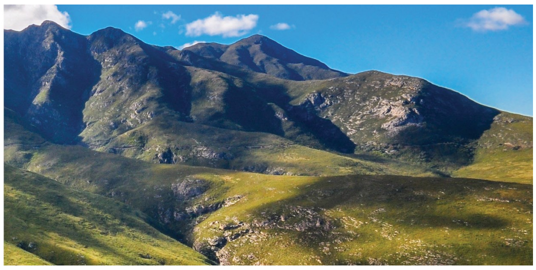
GEORGE
THE CITY FOR ALL REASONS



Edition 78 MAY 2025

MUNICIPAL BUDGET 2025/2026
MUNISIPALE BEGROTING 2025/26

George Municipality is committed to being a well-managed city that delivers reliable, high-quality basic services to all its residents—on time and within the constraints of a responsible and transparent budget.

The municipality is widely recognised for its high standard of service delivery and its prompt response to service faults. We remain dedicated to maintaining and continually improving these standards. Our services go beyond infrastructure and include support for the overall well-being of our communities through initiatives such as soup kitchens, community vegetable gardens, youth and sports development, public safety programmes, street and verge cleaning, and the removal of illegal dumping.

To sustain these efforts, we have adopted a cost-conscious approach aimed at keeping operational expenditure increases to a minimum. At the same time, we are committed to ensuring that the municipal budget remains realistic, fully funded, and financially sustainable.

This approach has been endorsed by both the Western Cape Provincial Treasury and National Treasury as part of the 2025/26 Medium-Term Revenue and Expenditure Framework (MTREF) assessment.

The 2025/26 MTREF budget was shaped by a variety of considerations, including but not limited to the following:

⇒ Operational costs were reviewed and reduced where possible, without compromising the quality of essential services.

⇒ The National Energy Regulator of South Africa (NERSA) approved a bulk electricity tariff increase of 11.32% from Eskom. However, Council resolved to limit the increase in tariffs to 10.9% to ease the burden on residents.

⇒ The budget places a strong emphasis on supporting vulnerable and indigent households, with the objective of shielding them from excessive cost increases that are outside the municipality's control.

Die munisipaliteit is daartoe verbind om te verseker dat die munisipale begroting realisties is, ten volle befonds en finansiël behoubaar is, om sodoende betroubare en gehalte basiese dienste aan al sy inwoners te lewer.

Die munisipaliteit geniet wyd erkenning vir sy hoë standaard van dienslewering en vinnige reaksietye op diensfoute. Ons is daartoe verbind om hierdie standaarde te handhaaf en voortdurend te verbeter. Ons dienste strek verder as net infrastruktuur en sluit ook inisiatiewe in wat die welsyn van ons gemeenskappe bevorder, soos sopkombuise, gemeenskapsgroentetuine, jeug- en sportontwikkeling, openbare veiligheid, skoonhou van strate en sypaadjies, asook die verwydering van onwettige stortings.

Om hierdie dienste volhoubaar te lewer, het die munisipaliteit 'n kostebedryfs benadering aanvaar met die doel om bedryfs uitgawes tot die minimum te beperk.

Hierdie benadering is bevestig en goedgekeur deur beide die Wes-Kaapse Provinsiale Tesourie en Nasionale Tesourie as deel van hul evaluering van die Mediumtermyn Inkomste- en Bestedingsraamwerk (MTREF) vir 2025/26.

Die 2025/26 MTREF-begroting is beïnvloed deur verskeie faktore, insluitend maar nie beperk nie tot die volgende:

⇒ Bedryfskostes is hersien en verminder waar moontlik, sonder om die vlakke van dienslewering in te boet.

⇒ Die Nasionale Energiereguleerder van Suid-Afrika (NERSA) het 'n verhoging van 11.32% in die groothandeltarief vir elektrisiteit van Eskom goedgekeur. Die Raad het egter besluit om die verhoging in tariewe tot 10.9% te beperk om die finansiële druk op inwoners te verminder.

⇒ Die begroting stel die fokus op die maatskaplike behoeftes van deernis huishoudings, met die doel om hul teen buitensporige kosteverhogings wat buite die munisipaliteit se beheer is, te beskerm.

CAPITAL BUDGET / KAPITAAL BEGROTING 2025/26—2027/28

For 2025/26 all projects to be funded from the Capital Replacement Reserve (CRR), were capped at R198.9 million and R564.9 million for projects linked to external funding (EFF).

Full provision was made for grant funded projects as contained in the Division of Revenue Act (DORA). An amount of R143,1 million was budgeted for grants funded projects.

The Capital budget reflects the following allocation to the various departments and the strategic priorities outlined in the Integrated Development Plan (IDP).

Die 2025/26 projekte wat uit die Kapitaalvervangingsreserwe (CRR) befonds word, is beperk tot R198.9 miljoen. Eksterne lenings ter waarde van R564.9 miljoen moet opgeneem word vir projekte wat aan eksterne befondsing (EFF) gekoppel is.

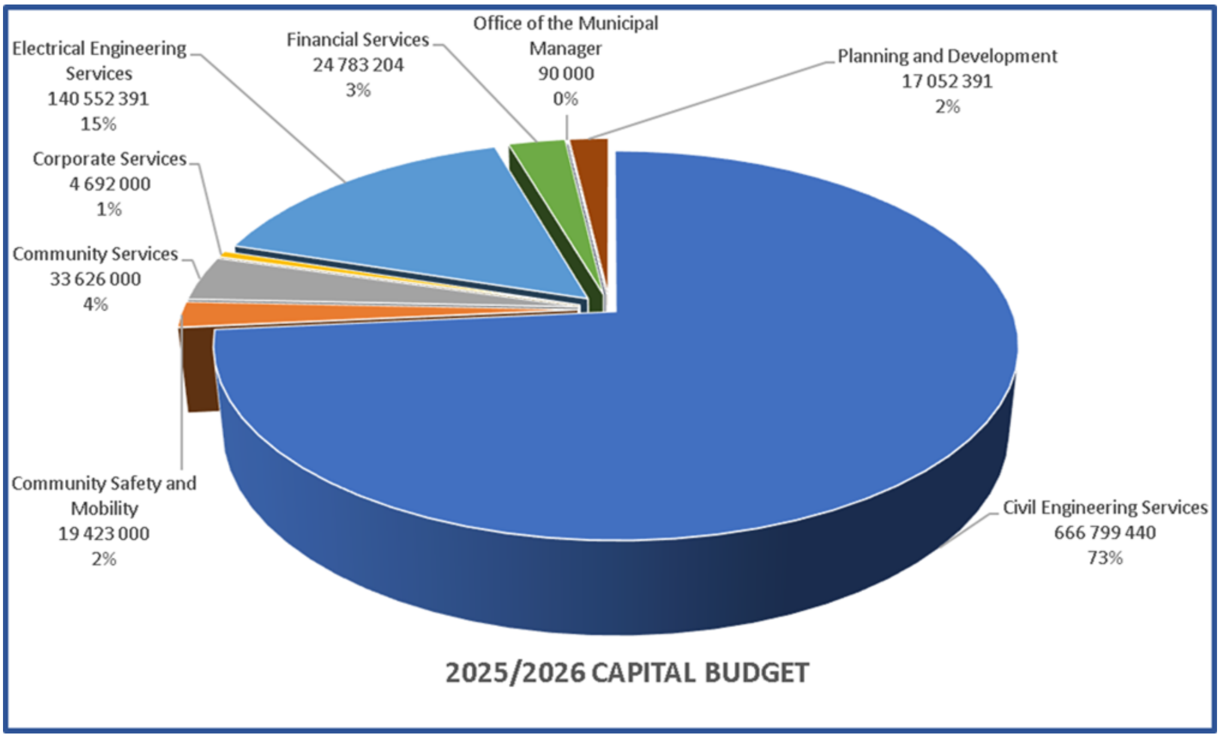
Volledige voorsiening is gemaak vir oordragsbetalings vanaf nasionale departemente. ’n Bedrag van R143.1 miljoen word vir toelaes begroot soos vervat in die DORA.

Die Kapitaalbegroting weerspieël die volgende begrotingstoewysing aan die verskillende departemente en die strategiese prioriteite wat in die Geïntegreerde Ontwikkelingsplan (GOP) uiteengesit is.

TOP 10 CAPITAL PROJECTS FOR 2025/2026

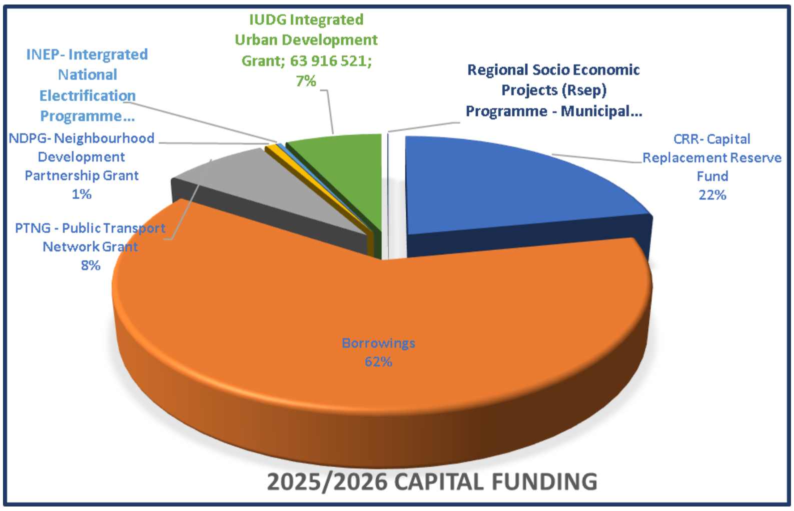
NR	DESCRIPTION	FUNDING	2025/26
1	GIPTN ROAD REHABILITATION	Public Transport Network Grant	68 754 416
2	PACALTSDORP 14,5ML RESERVOIR AND 1ST PHASE NEW PUMPSTATION	External Loans	38 000 000
3	SCHAAPKOP PUMPSTATION (INSTALL INLET SCREENS)	External Loans	34 000 000
4	THEMBALETHU EAST 8 Ml RESERVOIR, 1 Ml TOWER AND PUMP STATION	External Loans	28 600 000
5	UPGRADING OF EDEN PUMPSTATION (MECHANICAL)	External Loans	27 000 000
6	PACALTSDORP PUMPSTATION 3 UPGRADE	External Loans	25 000 000
7	MANAGEMENT INFORMATION SYSTEM	External Loans	23 558 204
8	THEMBALETHU P/S 6	External Loans	21 600 000
9	GWAING WWTW Upgrade - Phase 2	External Loans	18 600 000
10	BALANCING DAM	External Loans	18 000 000
11	EXTENSION OF WATERWORKS 20ML	External Loans	18 000 000

Capital Expenditure / Directorate	2025/26	2026/27	2027/28
Municipal Manager	90 000	70 000	35 000
Financial Services	24 783 204	19 568 753	3 789 347
Corporate Services	4 692 000	4 656 000	3 906 000
Planning & Development	17 052 391	20 493 478	14 489 565
Civil Engineering Services	666 799 440	532 049 130	455 157 739
Electrical Engineering Services	140 522 391	140 578 260	117 405 652
Community Services	33 626 000	33 368 000	27 993 000
Community Safety & Mobility	19 423 000	16 947 000	16 000 000
Total	**907 018 426**	**767 730 621**	**638 776 303**



Capital Budget by Funding Source	Budget 2025/2026	Budget 2026/2027	Budget 2027/2028
CRR- Capital Replacement Reserve Fund	198,972,774	200,000,000	189,644,945
Borrowings	564,939,933	500,429,753	382,984,402
PTNG - Public Transport Network Grant	68,754,416	10,000,000	10,000,000
NDPG- Neighbourhood Development Partnership Grant	6,521,739	8,223,478	4,869,565
INEP- Intergrated National Electrification Programme	3,217,391	3,478,260	3,635,652
IUDG Integrated Urban Development Grant	63,916,521	45,599,130	47,641,739
Regional Socio Economic Projects (Rsep) Programme - Municipal Projects	695,652	0	0
GRAND TOTAL	**907,018,426**	**767,730,621**	**638,776,303**

The pie chart below indicates the funding mix of the Capital Budget.



OPERATING REVENUE / BEDRYFSINKOMSTE 2025/26

In order to maintain a fully funded budget, the following average increases in municipal revenue from tariffs will take effect from 1 July 2025. These increases are necessary to ensure the continued delivery of quality services to the residents of George.

Ten einde 'n ten volle befondsde begroting te handhaaf, sal die volgende gemiddelde verhogings in munisipale inkomste uit tariewe vanaf 1 Julie 2025 in werking tree. Hierdie verhogings is noodsaaklik om die volgehoue lewering van gehalte dienste aan die inwoners van George te verseker.

Average Tariff Increase - Budget 2025/26

Category	Prior Year Budget 2024/25	Current Budget Year 2025/26	
Property Rates	6.00%	5.50%	**Valuation dependent / Waardasie afhanklik**
Electricity (NERSA)	12.72%	10.90%	**Final NERSA approval required / Finale NERSA-goedkeuring benodig**
Water	6.00%	6.00%	**Dependant on consumption / Verbruik afhanklik**
Sanitation	6.00%	5.50%	
Refuse	6.00%	6.00%	
Other (general increase)	6.00%	5.00%	

Category of property	Cent amount in the Rand rate determined for the relevant property category
Residential property	**1: 0.006538**
Business and Commercial property	**1: 0.013074**
Industrial property	**1: 0.013074**
Mining property	**1: 0.013074**
Agricultural property	**1: 0.001634** (75% rebate included in tariff as prescribed)
Public Service Infrastructure property (PSI)	**1: 0.001634** (75% rebate included in tariff as prescribed)
Public Benefit Organisation property (PBO)	**1: 0.001634** (100% rebate)
Public Service Purpose property	**1: 0.013074**
All Vacant properties	**1: 0.013074**

MUNICIPAL VALUATION THRESHOLD

The non rateable threshold on qualifying residential properties remains unchanged on R230 000. This rebate offered on residential property rates is aimed at providing relief to lower-income and pro-poor households.

MUNISIPALE WAARDASIE DREMPEL

Die nie-belaste drempel op kwalifiserende residensiële eiendomme bly onveranderd op R230 000. Hierdie korting op residensiële eiendomsbelasting is gemik daarop om verligting te bied aan lae-inkomste en behoeftige huishoudings.

PENSIONERS AND LOW-INCOME HOUSEHOLDS / PENSIONARISSE EN LAE-INKOMSTE HUISHOUDINGS

Owners with a collective income of less than R15 000 but not more than R16 500 per month, for rating purposes, will qualify in respect of their primary place of residence for the following rebates:

Eienaars met 'n gesamentlike inkomste van minder as R15 000, maar nie meer as R16 500 per maand nie, sal vir 'n belastingkorting op hul primêre woonplek kwalifiseer soos volg:

Low Income Owners – Property Rates Rebate

- On Primary residence
- Collective gross monthly household income: : Rebate %
  - R 0.00 – R15 000 : 40%
  - R 15 001 – R16 500 : 20%

OWNERS WHO ARE DEPENDENT ON PENSION OR SOCIAL GRANTS FOR THEIR LIVELIHOOD

EIENAARS WIE AFHANLIK IS VAN 'N PENSIOEN OF MAATSKAPLIKE TOELAES VIR HUL BESTAAN

Pensioner Owners – Property Rates Rebate

- On Primary residence
- Older than 65 years
- Collective gross monthly household income of R32 500 or less
- Rebate of 35% of first R 2 250 000 value of property

All Owners – Property Rates Rebate

- On first R230 000
- Primary residence
- This is inclusive of the R15 000 statutory impermissible rate as per section 17(1)(h) of the Municipal Property Rates Act.

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George Municipality WhatsApp Channel

Want real-time updates on water outages, electricity interruptions, roadworks or emergency alerts?

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- Direct updates - no clutter
- Service delivery info when you need it most
- Essential news, alerts and notices straight to you phone
- No need to ask around - get it from the source

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INDIGENT SUPPORT / DEERNIS ONDERSTEUNING

The standard application process will remain in effect, and all other qualifying criteria will still apply. Pensioners who meet the qualifying criteria will be granted valid indigent status for a period of three (3) years from the approval date and will not need to re-apply annually.

Die standaard aansoekproses sal van krag bly, en alle ander kwalifiserende kriteria sal steeds van toepassing wees. Pensionarisse wat aan die kwalifiserende kriteria voldoen, sal 'n geldige deernis status vir 'n tydperk van drie (3) jaar vanaf die goedkeuringsdatum ontvang, en hoef nie jaarliks weer aansoek te doen nie.

Expanded Support

Level 1: Full Indigent Support / Benefit:

- Was: 2 x SASSA (state pension) = R5 460
- Now: R6 000

Level 2: 50% Indigent Support / Benefit:

- Household income between R6 001 up to R9 000

Service Subsidy	Indigent Level 1 Support (100%)	Indigent Level 2 Support (50%)
Criteria:	Household Income: R0 – R6 000	Household Income: R6 001 – R9 000
Electricity:	70 kWh free units	No free units + 50% of Basic Charge
Water:	6kl free + 100% of Basic Charge	6kl free + 50% of Basic Charge
Refuse	100% of Basic Charge	50% reduction in Basic Charge
Sewerage	100% of Basic Charge	50% reduction in Basic Charge
Property Rates	Rebate: R230 000 on valuation	Primary Rebate: R230 000 on valuation
Total subsidy:	Value: R1 430.38 per month	Value: R749.22 per month

CREDIT CONTROL / KREDIETBEHEER

Revised Approach

Previously:

- 50% Arrears debt recovered through pre-paid vending system
- Then, SMS/email reminders of arrears
- Then, blocked after 14-notice period
- Then, arrangements, legal handover

From July 2025:

- **Sliding scale** of 55%, 65% and 75% Arrears debt on pre-paid (PPM) vending system
- Still, SMS/email reminders of arrears (same)
- But, **not blocked** for arrears account debt – only in special cases e.g. tampering...
- Still, arrangements, legal handover (same)

Sliding Scale – Recovery Through PPM Vending	% of Electricity Purchase Deducted to Pay Arrears Account Debt
Household in arrears between 30 days and 60 days	**55%**
Household in arrears between 60 days and 90 days	**65%**
Household in arrears over 90 days	**75%**

Important Notice: Electricity Tariff Structure and Capacity Selection

George Municipality reminds all consumers that the implementation of the approved electricity tariff structure has been **ongoing since 1 July 2022,** which is in line with the National Energy Regulator of South Africa (NERSA) approved cost of supply study for George.

IMPORTANT:
Consumers who have not selected a power capacity and have been assigned one by the Municipality will be **charged based on the actual installed capacity** of their meter as recorded on the municipal system. This is normally **60 Amps** and may result in **higher monthly charges**.

Consumers still have the opportunity to select their preferred capacity. **One change is allowed per financial year.**

To request an amp change application form, please email: accounts@george.gov.za. Submit the completed form to the same address for processing.

Belangrike Kennisgewing: Elektrisiteitstariefstruktuur en Kapasiteitkeuse

Die George Munisipaliteit herinner alle verbruikers daaraan dat die implementering van die goedgekeurde elektrisiteits tarief struktuur reeds sedert 1 Julie 2022 aan die plek is, in ooreenstemming met die Nasionale Energie Reguleerder van Suid-Afrika (NERSA) se goedgekeurde koste-van-voorsiening-studie vir George.

BELANGRIK
Verbruikers wat nog nie 'n elektriese kapasiteit gekies het nie en aan wie een deur die Munisipaliteit toegeken is, sal **gehef word op grond van die werklike geïnstalleerde kapasiteit van hul meter** soos op die munisipale stelsel aangeteken. Dit is gewoonlik **60 ampère** en kan lei tot **hoër maandelikse kostes**.

Verbruikers het steeds die geleentheid om hul voorkeur kapasiteit te kies. **Een verandering per finansiële jaar word toegelaat.**

Om 'n aansoekvorm vir 'n verandering in ampère aan te vra, stuur 'n e-pos na: accounts@george.gov.za . Stuur die voltooide vorm na dieselfde adres vir verwerking.

AFTER-HOURS CONTACT NUMBERS

FIRE ONLY ALL HOURS EMERGENCY NUMBER 044 801 6311
TOLL-FREE George Disaster Management Centre 087 152 9999
ALL HOURS EMERGENCY NUMBER 044 801 6300