

Edition 81 MAY 2026

# MUNICIPAL BUDGET 2026/2027

## MUNISIPALE BEGROTING 2026/2027

**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, funded, and financially sustainable.

This approach has been endorsed by both the Western Cape Provincial Treasury and National Treasury as part of the 2026/27 Medium-Term Revenue and Expenditure Framework (MTREF) assessment.

**The 2026/27 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 9,01% from Eskom.
- ◆ However, Council resolved to limit the increase in tariffs to 7,88% to ease the burden on residents.

The budget assists the social needs of indigent households and the need to protect these households against exorbitant cost increases beyond the control of the municipality.

**George Munisipaliteit is daartoe verbind om 'n goed bestuurde stad te wees wat betroubare, hoëgehalte basiese dienste aan al sy inwoners lewer—betyds en binne die perke van 'n verantwoordelike en deursigtige begroting.**

Die munisipaliteit word wyd erken vir sy hoë standaard van dienslewering en sy vinnige reaksie op diensfoute. Ons bly toegewyd daaraan om hierdie standaarde te handhaaf en voortdurend te verbeter. Ons dienste strek verder as infrastruktuur en sluit ondersteuning in vir die algehele welstand van ons gemeenskappe deur inisiatiewe soos sokkombuise, gemeenskapstuine, jeug- en sportontwikkeling, openbare veiligheidsprogramme, straat- en sypaadjeskoonmaak, en die verwydering van onwettige storting.

Om hierdie pogings vol te hou, het ons 'n koste-bewuste benadering aangeneem wat daarop gemik is om toenames in bedryfsuitgawes tot die minimum te beperk. Terselfdertyd is ons daartoe verbind om te verseker dat die munisipale begroting realisties, befonds en finansiële volhoubaar bly. Hierdie benadering is deur beide die Wes-Kaapse Provinsiale Tesourie en die Nasionale Tesourie onderskryf as deel van die 2026/27 Mediumtermyn Inkomste- en Uitgawe Raamwerk (MTREF)-assessment.

**Die 2026/27 MTREF-begroting is gevorm deur 'n verskeidenheid oorwegings, insluitend maar nie beperk nie tot die volgende:**

- ◆ Bedryfskoste is hersien en waar moontlik verminder, sonder om die gehalte van noodsaaklike dienste in te boet.
- ◆ Die Nasionale Energiereguleerder van Suid-Afrika (NERSA) het 'n grootmaat-elektrisiteitstariefverhoging van 9,01% van Eskom goedgekeur.
- ◆ Die Raad het egter besluit om die tariefverhoging tot 7,88% te beperk om die las op inwoners te verlig.

Die begroting erken die sosiale behoeftes van behoeftige huishoudings en die noodsaaklikheid om hierdie huishoudings te beskerm teen buitensporige kosteverhogings buite die munisipaliteit se beheer.

# CAPITAL BUDGET / KAPITAAL BEGROTING 2027/28—2028/2029

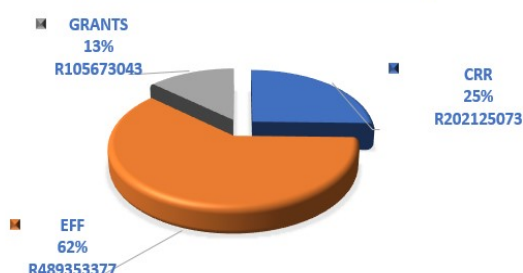
The Capital Budget reflects the following allocation of funds to the various departments and aligns with the strategic priorities set out in the IDP.

- ⇒ **R30.8 million** will be used to procure new fleet vehicles for various directorates to ensure that service delivery is maintained and expanded to meet the growing public demand in 2026/27 with R60.5 million over the MTREF.
- ⇒ **R266.2 million** is allocated for the Upgrading of Sewerage Pumpstation with R32 million in 2026/27 for the completion of the Thembalethu Pumpstation 6.
- ⇒ **R72 million** is allocated over the MTREF for groundwater exploration and Development and Equipping Alternative Water Sources to ensure Water Security for George in response to future droughts.
- ⇒ **R161.3 million** is allocated over the MTREF for stormwater projects to ensure improved stormwater management during heavy rains for what George is renowned for.
- ⇒ **R32 million** allocated on the 2026/27 budget for the replacement of the Sprinter Busses in GIPTN Fleet.
- ⇒ **R97.5 million** will be spend over the MTREF on providing on a second transformer for the Schaapkop Electrical Substation. The aim is to ensure economic stability and growth through a stable electrical network.
- ⇒ **R30 million** is allocated for electricity smart meters over the MTREF to improve the accurate of meter readings and to facilitate remote monitoring and quick detection of outages and faults.

## Capital Budget - 2026/2027 to 2028/2029

- ⇒ The projects to be funded from the Capital Replacement Reserve (CRR) for 2026/27 were capped at R202,1 million and R489,4 million for projects linked to external funding (EFF).
- ⇒ Full provision was made for grant funded projects as contained in the Division of Revenue Act. An amount of R105,7 million is budgeted for grants.
- ⇒ The draft Capital budget reflects the following budget allocation to the various departments and reflects the strategic priorities outlined in the IDP.

### 2026/2027 CAPITAL FUNDING

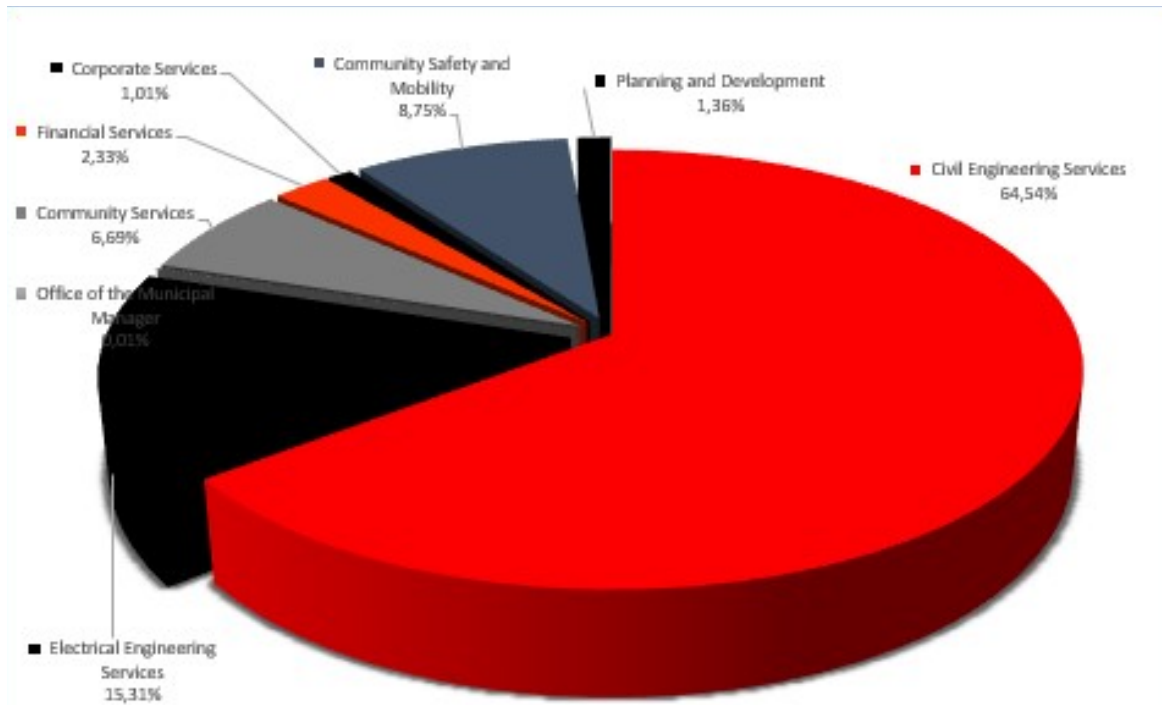


Die Kapitaalbegroting weerspieël die volgende begrotingstoewysing aan die verskillende departemente en weerspieël die strategiese prioriteite wat in die GOP uiteengesit is.

- ⇒ **R30,8 miljoen** sal aangewend word om nuwe vlootvoertuie vir verskeie direktoraat te verkry om te verseker dat dienslewering gehandhaaf en uitgebrei word om aan die groeiende openbare vraag in 2026/27 te voldoen, met R60,5 miljoen oor die MTREF.
- ⇒ **R266,2 miljoen** word toegeken vir die opgradering van rioolpompstasies, met R32 miljoen in 2026/27 vir die voltooiing van die Thembalethu Pompstasie 6.
- ⇒ **R72 miljoen** word oor die MTREF toegeken vir grondwaterverkenning en -ontwikkeling, asook die ontwikkeling en toerusting van alternatiewe waterbronne om watersekuriteit vir George te verseker in reaksie op toekomstige droogtes.
- ⇒ **R161,3 miljoen** word oor die MTREF toegeken vir stormwaterprojekte om verbeterde stormwaterbestuur tydens swaar reënval te verseker waarvoor George bekend is.
- ⇒ **R32 miljoen** word in die 2026/27-begroting toegeken vir die vervanging van die Sprinter-busse in die GIPTN-vloot.
- ⇒ **R97,5 miljoen** sal oor die MTREF bestee word aan die voorsiening van 'n tweede transformator vir die Schaapkop-elektriese substasie. Die doel is om ekonomiese stabiliteit en groei te verseker deur 'n stabiele elektriese netwerk.
- ⇒ **R30 miljoen** word oor die MTREF toegeken vir slim elektrisiteitsmeters om die akkuraatheid van meterlesings te verbeter en afstandmonitering asook vinnige opsporing van onderbrekings en foute te fasiliteer.

## Kapitaalbegroting – 2026/2027 tot 2028/2029

- ⇒ Die projekte wat uit die Kapitaalvervangingsreserwe (KVR) vir 2026/27 befonds sal word, is beperk tot R202,1 miljoen, en R489,4 miljoen vir projekte wat aan eksterne befondsing (EBF) gekoppel is.
- ⇒ Volledige voorsiening is gemaak vir projekte wat deur toelaes befonds word, soos vervat in die Wet op die Verdeling van Inkomste. 'n Bedrag van R105,7 miljoen is vir toelaes begroot.
- ⇒ Die konsep-kapitaalbegroting weerspieël die volgende begrotingstoewysing aan die verskillende departemente en weerspieël die strategiese prioriteite soos uiteengesit in die GOP.



2026/2027 Capital Budget

Capital Budget by Directorate	Draft Budget 2026/2027	Draft Budget 2027/2028	Draft Budget 2028/2029
Civil Engineering Services	514 449 681	594 948 838	529 270 000
Electrical Engineering Services	122 073 913	151 900 000	156 800 000
Community Safety and Mobility	69 720 304	29 004 000	25 704 000
Community Services	53 290 000	18 060 000	14 100 000
Financial Services	18 588 753	10 789 347	11 058 983
Planning and Development	10 830 343	9 993 608	21 400 000
Corporate Services	8 080 000	11 498 000	10 060 000
Office of the Municipal Manager	118 500	50 000	0
<b>Grand Total</b>	<b>797 151 494</b>	<b>826 243 793</b>	<b>768 392 983</b>

CAPITAL BUDGET BY FUNDING SOURCE		Draft Budget 2026/2027	Draft Budget 2027/2028	Draft Budget 2028/2029
CAPITAL REPLACEMENT RESERVE	CRR	202 125 073	325 355 315	338 304 000
EXTERNAL FINANCING FUND	EFF	489 353 377	449 189 347	377 668 983
GRANTS AND SUBSIDIES	GRANTS	105 673 043	51 699 131	52 420 000
<b>TOTAL</b>		<b>797 151 493</b>	<b>826 243 793</b>	<b>768 392 983</b>

# OPERATING REVENUE / BEDRYFSINKOMSTE 2026/27

In order to maintain a funded budget, the following average increases in municipal revenue from tariffs will take effect from 1 July 2026. These increases are necessary to ensure the continued delivery of quality services to the residents of George.

Ten einde 'n befondsde begroting te handhaaf, sal die volgende gemiddelde verhogings in munisipale inkomste uit tariewe vanaf 1 Julie 2026 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 2026/27 / Gemiddelde Tariefverhoging - Begroting 2026/27

Category / Kategorie	Prior Year Budget 2025/26   Vorige Jaar Begroting 2025/26	Current Budget Year 2026/27   Huidige Begroting Jaar 2026/27	
Property Rates   Eiendom Tariewe	5.50%	3.7%	Valuation dependent / Waardasie afhanklik
Electricity (NERSA)   El- ektrisiteit (NERSA)	10.90%	7.88%	Final NERSA approval required / Finale NERSA-goedkeuring benodig
Water	6.00%	3.7%	Dependant on consumption / Verbruik afhanklik
Sanitation   Sanitasie	5.50%	3.7%	
Refuse   Riool	6.00%	3.7%	
Other (general increase   Ander (algemene verhog- ing)	5.00%	3.7%	

Category of property	Cent amount in the Rand rate determined for the rele- vant property category
Residential property	1: 0.006780
Business and Commercial property	1: 0.013557
Industrial property	1: 0.013557
Mining property	1: 0.013557
Agricultural property	1: 0.001695 (75% rebate included in tariff as prescribed)
Public Service Infrastructure property (PSI)	1: 0.001695 (75% rebate included in tariff as prescribed)
Public Benefit Organisation property (PBO)	1: 0.001694(100% rebate)
Public Service Purpose property	1: 0.013557
All Vacant properties	1: 0.013557

Kategorie van Eiendom	Sent in die Rand bedrag vasgestel vir die betrokke eiendom kategorie
Residensiële Eiendom	1: 0.006780
Besigheid en Kommersiële Eiendom	1: 0.013557
Industriële Eiendom	1: 0.013557
Mynbou Eiendom	1: 0.013557
Landbou Eiendom	1: 0.001695 (75% korting ingesluit in tarief soos voorgeskryf)
Openbare Dienste Infrastruktuur Eiendom (PSI)	1: 0.001695 (75% korting ingesluit in tarief soos voorgeskryf)
Publieke Voordeel Organisasie Eiendom (PBO)	1: 0.001694(100% korting)
Publieke Diens Doeleindes Eiendom (Staat)	1: 0.013557
Residensiële Vakante Eiendom	1: 0.013557

## EXEMPTIONS, REDUCTIONS AND REBATES / UITSLUITINGS, VERMINDERINGE EN KORTINGS

### Residential Properties:

For all residential properties, the municipality will not levy a rate on the first R230 000 of the property's market value. The R230 000 is inclusive of the R15 000 statutory impermissible rate as per section 17(1)(h) of the Municipal Property Rates Act.

### All owners of residential properties, used for residential purposes, are entitled to:

- ◆ a rebate of 40% on the property rates on such properties, if their total income as defined in the Municipality's Property Rates Policy is less than R198 000 per annum (R16 500 pm) (10% increase in rebate); or
- ◆ a rebate of 20% on the property rates on such properties, if their total income as defined in the Municipality's Property Rates Policy is R198 000 or more per annum but less than R217 800 per annum (R18 150 pm) (10% increase in rebate); or
- ◆ A rebate of 40%, up from 35% of property rates will be applicable to Pensioners earning up to R429 000, up from R390 000 per annum, on the first two-million-four hundred and seventy-five-thousand-rand valuation (R 2 475 000) of the property (up from R2 250 000). This will apply to persons over the age of 65 years for their single primary residence.

### Residensiële Eiendomme:

Die munisipaliteit vorder nie belasting op die eerste R230 000 van die markwaarde van die eiendom. Die R230 000 sluit in die R15 000 statutêre ontoelaatbare belasting soos per gedeelte 17(1)(h) van die Munisipale Eiendomsbelasting Wet.

### Alle eienaars van residensiële eiendomme wat vir residensiële doeleindes gebruik word, is geregtig op:

- ◆ 'n Korting van 40% op eiendomsbelasting op sodanige eiendomme, indien hul totale inkomste, soos omskryf in die Munisipaliteit se Eiendomsbelastingbeleid, minder as R198 000 per jaar (R16 500 per maand) is (10% verhoging in korting); of
- ◆ 'n Korting van 20% op eiendomsbelasting op sodanige eiendomme, indien hul totale inkomste, soos omskryf in die Munisipaliteit se Eiendomsbelastingbeleid, R198 000 of meer per jaar is, maar minder as R217 800 per jaar (R18 150 per maand) (10% verhoging in korting); of
- ◆ 'n Korting van 40%, verhoog vanaf 35%, op eiendomsbelasting sal van toepassing wees op pensioenarisse wat tot R429 000 per jaar verdien, verhoog vanaf R390 000 per jaar, op die eerste R2 475 000 van die waardasie van die eiendom, verhoog vanaf R2 250 000. Hierdie korting sal van toepassing wees op persone ouer as 65 jaar, en slegs ten opsigte van hul enkele primêre woning.

# 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 receive valid indigent status for a period of three (3) years from the approval date and will not be required to reapply annually.

- ◆ The income threshold for full support (Level 1) has increased from **R6,000 to R9,680 (4 x SASSA as from 1 July 2026) per month.**
- ◆ The **Level 2 category** has been adjusted for households with an income between R9,681 and R14,520 (6 x SASSA as from 1 July 2026) per month.
- ◆ **Level 2 households will receive a 50% subsidy** on refuse removal, sewerage, property rates, and water basic on property valued at R230 000.

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 geldige deernisstatus ontvang vir 'n tydperk van drie (3) jaar vanaf die goedkeuringsdatum en hoef nie jaarliks weer aansoek te doen nie.

- ◆ Die inkomstedrempel vir volle ondersteuning (Vlak 1) het gestyg van **R6 000 tot R9 680 (4 x SASSA vanaf 1 Julie 2026) per maand.**
- ◆ **Die Vlak 2-kategorie** het gestyg vir huishoudings met 'n inkomste tussen R9 681 en R14 520 (6 x SASSA vanaf 1 Julie 2026) per maand.
- ◆ **Vlak 2-huishoudings sal 'n 50%-subsidie** ontvang op vullisverwydering, riool, eiendomsbelasting en die water basiese tarief mits die eiendom minder as R230 000 werd is.

Service Subsidy	Indigent Level 1 Support (100%)	Indigent Level 2 Support (50%)
<b>Criteria:</b>	Household Income: R0 – R9 680	Household Income: R9681 – R14 520
<b>Electricity:</b>	80 kWh free units	No free units + 50% of Basic Charge
<b>Water:</b>	6kl free + 100% of Basic Charge	6kl free + 50% of Basic Charge
<b>Refuse</b>	100% of Basic Charge	50% reduction in Basic Charge
<b>Sewerage</b>	100% of Basic Charge	50% reduction in Basic Charge
<b>Property Rates</b>	Rebate: R230 000 on valuation	Rebate: R230 000 on valuation
<b>Total subsidy:</b>	<b>Value: R1 524.30 per month</b>	<b>Value: R776.95 per month</b>

# CREDIT CONTROL

A sliding scale now applies to the recovery of overdue payments via pre-paid electricity purchases:

- ◆ Days overdue: 55% deduction
  - ◆ 60 Days overdue: 65% deduction
- ⇒ Pre-paid electricity meters will only be blocked in exceptional cases, as required by law.
- ⇒ The changes only take effect from 1 July 2026
- ⇒ Support is not automatic – every application will be reviewed by the Credit Control Steering Committee
- ⇒ Accounts must be up to date – only residents who meet the criteria and show financial responsibility will qualify

# KREDIETBEHEER

'n Glyskaal word nou toegepas vir die verhaal van agterstallige betalings via voorafbetaalde elektrisiteitsaankope:

- ◆ 30 dae agterstallig: 55%-aftrekking
  - ◆ 60 dae agterstallig: 65%-aftrekking
- ⇒ Voorafbetaalde elektrisiteitsmeters sal slegs in uitsonderlike gevalle geblokkeer word, soos deur die wet vereis.
- ⇒ Die veranderinge tree eers op **1 Julie 2026** in werking.
- ⇒ Ondersteuning is nie outomaties nie – elke aansoek sal deur die Kredietbeheerbestuurskomitee hersien word.
- ⇒ Munisipale rekeninge moet op datum wees – slegs inwoners wat aan die kriteria voldoen en finansiële verantwoordelikheid toon, sal kwalifiseer.



## George Municipality WhatsApp Channel

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- 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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