

MFMA CIRCULAR 88 4th QUARTER AND ANNUAL PERFORMANCE DATA 2025/26

The non-financial information presented in this publication covers the 2025/26 fourth quarter and annual reporting submissions. Buffalo City was unable to submit its information within the required timeframe and has therefore been excluded from this data release. City of Ekurhuleni and eThekweni submitted information but did not upload signed-off versions of their reports.

Despite these reporting gaps, there has been a gradual improvement in the quality, completeness and credibility of information submitted by metropolitan municipalities, supported by regular data quality analysis and feedback provided by National Treasury. However, some metros continue to experience system limitations and capacity constraints that affect their ability to report on certain Circular 88 indicators. Overall, the standardised reporting approach continues to strengthen transparency and accountability by providing consistent information on metros service delivery and operational efficiency.

The information includes the full suite of performance reporting across Energy & Electricity, Environment & Waste, Financial Management, Fire & Disaster Management, Governance, Housing & Community Facilities, Local Economic Development, Transport & Roads, and Water & Sanitation sectors. The performance information highlights persistent disparities in service delivery across eight (8) metros. While some metros have shown improvements in key areas, challenges relating to infrastructure maintenance, financial sustainability and institutional capacity continue to affect the consistent delivery of municipal services.

In the Energy & Electricity sector, electricity losses remain an important measure of network efficiency and potential revenue leakage. These comprise both technical and non-technical losses. Mangaung performed best at 8.0 per cent, followed by City of Cape Town (10.7 per cent), eThekweni (12.4 per cent) and City of Tshwane (12.9 per cent), all of which fall within a generally acceptable range for electricity networks. City of Ekurhuleni at 18.0 per cent is notably higher, while City of Joburg (27.5 per cent) and Nelson Mandela Bay (28.5 per cent) reported the highest levels of electricity losses. At these rates, over a quarter of electricity entering the municipal distribution network is unaccounted for, which is typically reflective of both infrastructure deterioration and critical municipal revenue foregone. Addressing these losses will require metros to address underlying factors such as ageing infrastructure, metering and billing weaknesses, illegal connections and electricity theft, while strengthening the management and maintenance of their distribution networks.

The Q4 results reflect continued pressure among metros to adhere to Water & Sanitation service norms and standard response times. For water services callouts responded to within 48 hours (WS3.21), City of Tshwane (34.5 per cent) and Ekurhuleni (45.1 per cent) performed most poorly, with City of Joburg also below 50 per cent. City of Cape Town (92.5 per cent) and Mangaung (90.7 per cent) demonstrated the strongest performance. A similar pattern emerged for sanitation callouts within 48 hours (WS3.11): City of Tshwane (27.5 per cent) and City of Ekurhuleni (47.4 per cent) again recorded the lowest results, while Nelson Mandela Bay did not report on either water or sanitation response time indicators.

Top management stability (GG1.2) is a key measure of institutional continuity. This indicator tracks the proportion of top management posts that were continuously occupied during the reporting period and there were some notable improvements and achievements over this period. City of Cape Town maintained 100 per cent stability, while eThekweni (96.0 per cent) and City of Joburg (80.5 per cent) both reported relatively high levels. City of Tshwane (77.3 per cent) and City of Ekurhuleni (60.9 per cent) indicate instability in top management positions. More significant concerns are evident in Nelson Mandela Bay (29.4 per cent) and Mangaung (12.5 per cent), which recorded the lowest levels of stability among the metros.

The above provides a brief snapshot of the performance issues reported by metros. Where data is incomplete, appears unreliable or requires further technical guidance, the National Treasury will continue engaging metros through detailed feedback, technical working groups and follow-up support to improve the quality and credibility of performance information.

Overall, this information serves as an early warning of operational and service delivery weaknesses that require corrective action by metros, while enabling the public and other stakeholders to monitor municipal performance.